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ABSTRACT

This set of student and teacher guides is intended for use in a course to prepare students for entry-level employment in such occupational areas in international trade as business/finance, communications, logistics, and marketing. The following topics are covered in the course's five instructional units: introduction to careers in international trade, international trade regions, international economics and finance, import/export basics, and international marketing. The teacher's guide contains guidelines for using the curriculum guide, a competency profile, instructional/task analysis, academic and workplace skill classifications and definitions, a 36-item reference list, and the following materials for use in presenting the five instructional units: suggested activities, answers to the assignment and written tests, written test, unit evaluation forms, teacher supplements, and transparency masters. Included in each unit of the student guide are an objective sheet, information sheets, student supplements, and assignment sheets. (MN)

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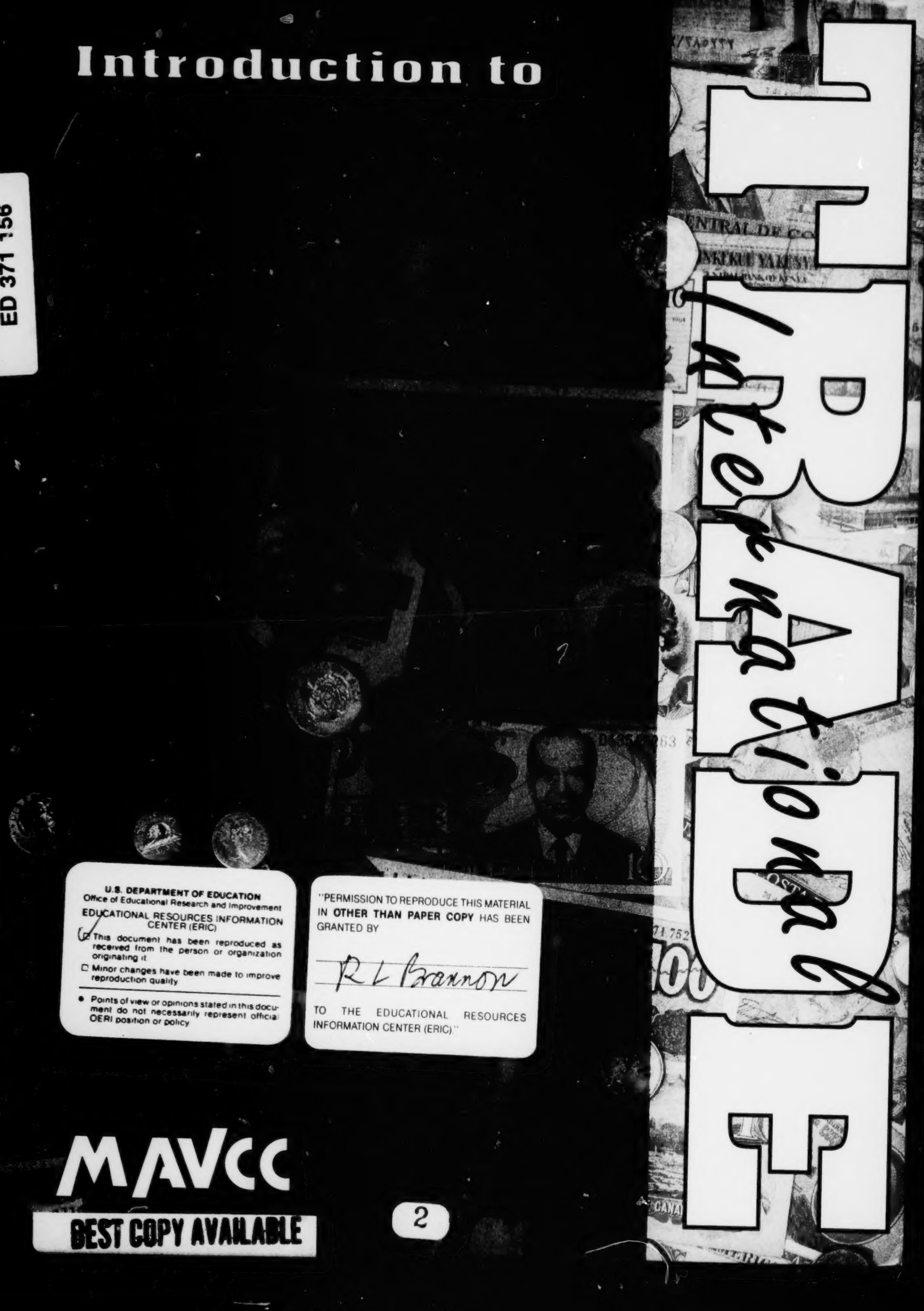
Introduction to International TRADE



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Introduction to International Trade

Teacher Edition

Table of Contents

Foreword vii
Acknowledgments ix
Use of introductory materials xi
Use of this publication xiii
Competency profile xvii
Instructional/task analysis xxi
Academic and workplace skill classifications and definitions xxv
Related academic and workplace skills list xxvii
Reference list xxxix

Unit 1: Introduction to the Careers in International Trade

Teacher page

Suggested Activities 1
Answers to Assignment Sheets 11
Answers to Written Test 13
Written Test 15
Unit Evaluation Form 19
Teacher Supplements
  1—Education and Training Levels 21
  2—Sample Plan of Action 23
  3—Portfolio Project 25
  4—Alaska, Oregon, and Washington *International Trade Curriculum* Resource Listing 27
Transparency Masters
  1—Steps in Career Decision Making 53
  2—Interrelationship of the Occupational Areas in International Trade 55

Unit 2: International Trade Regions

Suggested Activities 57
Answers to Assignment Sheets 67
Answers to Written Test 73
Written Test 75
Unit Evaluation Form 81

Table of Contents

Unit 2 (cont.)

Teacher page

Teacher Supplements

1—History of International Trade 83
2—Why Is International Trade Important 85
3—Identify Countries-of-Origin for Consumer Products 89

Transparency Masters

1—Major International Trade Regions 91
2—European Trade Region 93
3—North America Trade Region 95
4—Central America Trade Region 97
5—South America Trade Region 99
6—Caribbean Basin Trade Region 101
7—North Africa Trade Region 103
8—Pacific Rim Trade Region 105
9—Middle East Trade Region 107

Unit 3: International Economics and Finance

Suggested Activities 109
Answers to Assignment Sheets 117
Answers to Written Test 119
Written Test 121
Unit Evaluation Form 129

Teacher Supplements

1—Free-Enterprise Economy vs. Closed Economy International-Trade Simulation 131
2—Wagon Master Simulations 141
3—Analyze Simulations on Basic Economic and Financial Concepts 161

Transparency Masters

1—Sample Exchange Rates 169
2—Steps in a Typical International Financial Transaction 171

Unit 4: Import/Export Basics

Suggested Activities 173
Answers to Assignment Sheets 181
Answers to Written Test 183
Written Test 185
Unit Evaluation Form 193

Transparency Masters

1—Terms of Sale (Incoterms) 195
2—Export Flowchart 197
3—Import Flowchart 199
4—Documantation Flowchart 201

Table of Contents

Unit 5: International Marketing

Teacher
page

Suggested Activities 203
Answers to Assignment Sheets 209
Answers to Written Test 211
Written Test 213
Unit Evaluation Form 217
Transparency Master
  1—Marketing Flowchart 219

7

Foreword

When the MAVCC staff began the process for developing *Introduction to International Trade*, we wanted to create a set of instructional materials that would provide secondary and post-secondary students with an opportunity to explore the career choices in the international trade occupational areas and to introduce them to the basic workplace skills necessary to compete and survive in today's global economy.

Therefore, this publication, *Introduction to International Trade*, is designed to include the entry-level competencies students will need to enter any of the occupational areas identified for international trade. And, utilizing these instructional materials, students will have an opportunity to develop a portfolio covering assignments that include exploring the interrelationship of the occupational areas in international trade, analyzing current events within a major international trade region, analyzing current events concerning issues relevant to international economics and finance, analyzing current events relevant to import/export procedures and documentation, and analyzing current events concerning international marketing efforts.

The success of this publication is due, in large part, to the capabilities of the personnel who worked with its development. Appreciation is extended to them for their valuable contributions to the publication.

These instructional materials are designed not only for student use but to assist teachers in organizing and improving instruction. Instructional materials in this publication are based on the competency-based concept of first stating the objectives (objective sheet), developing instructional strategies for teaching to those objectives (information and assignment sheets), and assessing those same objectives (written test—a criterion-referenced evaluation instrument).

Every effort has been made to make these materials basic, readable, and by all means, usable. However, as with all MAVCC's publications, teachers must localize and personalize the materials to meet their community, classroom/laboratory, and individual student's situation. Teachers are encouraged to supplement the instructional materials and to develop strategies for motivating their students.

Teachers should give special attention to the matrix identifying basic academic skills being reinforced in these instructional materials as well as the suggestions on ways to increase reinforcement of academic and workplace skills. By reinforcing these skills, the instructor should assist students in improving their employability skills.

As you use these instructional materials, we hope that you will find that they contribute to the quality of your program. If any problems occur or if you have any suggestions for improvement of the materials, please call or write us.

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Mid-America Vocational
Curriculum Consortium

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Use of Introductory Materials

Introductory materials are included in the teacher edition only and contain useful information to assist administrators and teachers in planning for instruction.

In addition to the general information—such as the table of contents, foreword, and acknowledgments page—information is included on the following:

1. **Use of this publication**—Explains the components of a unit of instruction and how they should be used as part of the teaching/learning process.
2. **Competency profile**—Provides a record of student performance for each task included in a unit of instruction. This profile becomes a part of the student's permanent records and should be utilized when directing the student toward employment opportunities.
3. **Instructional/task analysis**—Provides a quick review of the contents of the publication; identifies cognitive (knowledge) skills and psychomotor (doing) skills addressed in each unit of instruction.
4. **Academic and workplace skill classifications and definitions**—Defines the basic-skill classifications used by MAVCC. Skill areas reflected by skill groups, subskills, and descriptions have been identified using *Workplace Basics: The Skills Employers Want*, developed by the American Society for Training and Development (ASTD) and the U.S. Department of Labor and adapted by MAVCC.
5. **Related academic and workplace skills list**—Classifies unit tasks (assignment sheets) according to the related academic and workplace skills being reinforced.
6. **Reference list**—Provides a comprehensive list of the resources used in the development of this publication.

As you use these materials, it is hoped that they will provide useful information to meet a variety of needs.

Use of This Publication

Instructional units

The student edition of *Introduction to International Trade* contains five units of instruction: (1) Introduction to the Careers in International Trade, (2) International Trade Regions, (3) International Economics and Finance, (4) Import/Export Basics, and (5) International Marketing. Each instructional unit in the student edition includes the following basic components: objective sheet, information sheet, student supplements, and assignment sheets.

Each section in the teacher edition includes some or all of the following components for each of the five units of instruction: suggested activities, answers to assignment sheets, answers to written test, written test, unit evaluation form, teacher supplements, and transparency masters.

All of the unit components focus on measurable and observable learning outcomes. Teachers are encouraged to supplement, personalize, localize, and motivate with these materials in order to develop a complete teaching/learning process.

Units of instruction are designed for use in more than one lesson or class period of instruction. Careful study of each unit of instruction by the teacher will help to determine the following:

- Amount of materials that can be covered in each class period.
- Skills that must be demonstrated.
- Amount of class time needed for demonstrations.
- Amount of time needed for student practice.
- Supplementary materials, including print and nonprint media and equipment and supplies, that must be ordered.
- Resource people who must be contacted.

Student-edition components

It is a challenge to keep students motivated. Instructors should supplement the student-edition components by providing the "why," personal experiences, and current information. Prepare for each unit by deciding how each component can best be taught. Allow students to become involved in preparing and planning their teaching/learning experiences.

Objective sheet (color code: white). Each unit of instruction is based on performance objectives that state the goals for successful completion of the course. These performance objectives are stated in two forms: unit objectives, which state the expected performance of each student after completion of the unit of instruction, and specific objectives, which state what the student must do to reach the unit objective.

Use of This Publication

The objectives should be stressed throughout the teaching/learning process. This will help answer any questions concerning performance requirements for each instructional unit. The objectives can also help determine teaching strategies and instructional methods. Teachers should prepare for each unit by deciding how each objective can best be taught.

Teachers should feel free to modify, delete, or add objectives in order to meet the needs of the students and community. When objectives are added, the teacher should remember to supply the needed information-sheet, assignment-sheet, and written-test items.

Information sheet (color code: green). The information sheet provides the content essential for meeting the cognitive (knowledge) objectives of the unit. Teachers will find that the information sheet serves as an excellent guide for presenting background knowledge necessary to develop the skills specified in the unit objective. Students should read the information sheet before the information is discussed in class. Space is provided in margins for students and teachers to add notes that supplement, localize, personalize, or provide information for the teaching of each objective.

Student supplements (color code: white). The information presented in a student supplement may consist of tables, charts, written information, forms, or other information students will need in order to complete one or more of the assignment sheets. Students are not directly tested over the information presented in a supplement; however, their ability to apply this information will be evaluated in the completion of assignment sheets.

Assignment sheets (color code: tan). Assignment sheets provide students with pencil and paper activities that give them the opportunity to make practical application of the knowledge presented in the information sheet. Criteria are provided at the top of each assignment sheet to objectively evaluate student performance.

Teacher-edition components

Suggested activities (color code: pink). The suggested activities assist teachers during the preparation stage of the teaching/learning process by providing an instructional plan, teaching suggestions, and a list of supplemental resources. Ways to integrate academic and workplace skills have been included in the teacher suggestions, and skill areas have been noted in bold type. The teacher should read the suggested activities before teaching a unit and decide how each objective can best be taught. Time should also be allowed to obtain supplemental materials, prepare audiovisual materials, and contact outside resources. Duties of the teacher will vary according to the particular unit.

References used in the development of each unit are listed in the suggested-activities section, along with suggested supplemental resources that may be used to teach the unit. These materials can be used by the teacher to supplement her or his knowledge of the subject area or to help students with particular interests or objectives in the area covered.

Assignment and written-test answers (color code: pink). Assignment-sheet answers and written-test answers are designed to assist the teacher in evaluation of student performances on the assignment sheets and written test.

Use of This Publication

Written test (color code: yellow). This component provides criterion-referenced evaluation of every cognitive objective listed in the information sheet. If objectives have been added, deleted, or modified, appropriate changes should be made on the written test. It is recommended that the test be divided into shorter tests covering three or four objectives at a time and given soon after those objectives have been covered. A selection of test items from the units covered may be used for final tests at the end of each term if desired. The test is included in the teacher edition, but duplication is permitted for student use.

Unit evaluation form (color code: white). This sheet provides teachers with a record of each student's performance on a unit of instruction. It includes space for assignment-sheet ratings, written-test scores, and teacher comments. The unit evaluation form may be duplicated for student use.

Teacher supplements (color code: white). Teacher supplements are optional materials for the teacher to use. They have three purposes: to provide the teacher with higher-level materials to stretch the advanced student, with remedial information or practice to assist the less-advanced student, and with state-of-the-art information in which the teacher may not have background or with information that is not readily available in other books. Some teacher supplements may be duplicated for student use and are marked accordingly.

Transparency masters (color code: white). Transparency masters are used to direct the students' attention to the topic of discussion. Transparency masters may provide illustrations, charts, schematics, or additional information needed to clarify and reinforce objectives included in the unit of instruction.

Competency Profile

Name: ______________________________

Directions: Evaluate the student using one of the optional rating scales below. Write the appropriate number/letters to indicate the degree of competency achieved. The descriptions associated with each of the numbers/letters focus on a level of student performance for each of the tasks listed. The written-test scoreline is provided for optional teacher use. It may not be applicable in all cases.

Optional rating scales

Option A		
Rating scale:	4 -	**Skilled** - Can perform job with no additional training.
	3 -	**Moderately skilled** - Has performed job during training program; limited additional training may be required.
	2 -	**Limited skill** - Has performed job during training program; additional training is required to develop skill.
	1 -	**Unskilled** - Is familiar with process, but is unable to perform job.
	0 -	**No exposure** - No information or practice has been provided during training program; complete training is required.
	NA -	**Non-applicable.**
Option B		
Rating scale:	Yes -	Can perform with no additional training
	No -	Is unable to perform satisfactorily

Unit 1: **Introduction to the Careers in International Trade**

______1. Gather personal information.

______2. Gather general job information and identify occupational and career-interest areas of choice.

______3. Gather specific job information.

______4. Make career decision.

______5. Develop plan of action to meet career goal.

______6. Explore the interrelationship of the occupational areas in international trade.

______7. ______________________________

______Written-test score

Unit 2: **International Trade Regions**

______1. Explore the impact of geography on the major international trade regions.

Competency Profile

______2. Explore the impact of certain cultural aspects on international trade.

______3. Profile a local business that particpates in international trade.

______4. Profile your state.

______5. Profile a major international trade region.

______6. Analyze current events within the major international trade regions.

______7. ______________________________ ______________

______Written-test score

Unit 3: International Economics and Finance

______1. Determine the economic advantages of a free-enterprise system.

______2. Analyze scenarios to determine the trade barriers at work.

______3. Profile a nation's economy.

______4. Analyze the effects of changing exchange rates.

______5. Profile a nation's financial system.

______6. Analyze current events concerning issues relevant to international economics and finance.

______7. ____

______Written-test score

Unit 4: Import/Export Basics

______1. Analyze import/export scenarios to determine type of risk described.

______2. Analyze import/export scenarios to determine type of incoterm described.

______3. Interpret import/export documents.

______4. Analyze a local business' export transaction.

______5. Analyze a local business' import transaction.

______6. Plan an export sale.

______7. Analyze current events concerning issues relevant to import/export procedures and documentation.

______8. ____

______Written-test score

Unit 5: International Marketing

______1. Evaluate an international marketing plan.

______2. Analyze current events concerning international marketing efforts.

______3. ____

______Written-test score

Comments: ____

____

____

Evaluator: ______________________ Date: ______________

Permission to duplicate this profile is granted.

17

Instructional/Task Analysis

Related Information: What the student should know	Application: What the student should be able to do
Unit 1: Introduction to the Careers in International Trade	
1. Definitions of terms associated with careers in international trade	6. Gather personal information
2. Definitions of the occupational areas in international trade	7. Gather general job information and identify occupational and career-interest areas of choice
3. Definitions of the career-interest areas in international trade	8. Gather specific job information
4. Steps in career decision making	9. Make career decision
5. Interrelationship of the occupational areas in international trade	10. Develop plan of action to meet career goal
	11. Explore the interrelationship of the occupational areas in international trade
Unit 2: International Trade Regions	
1. Definitions of terms associated with international trade regions	10. Explore the impact of geography on the major international trade regions
2. Definition of the term *international trade*	11. Explore the impact of certain cultural aspects on international trade
3. Importance of international trade to individual consumers and their nations	12. Profile a local business that participates in international trade
	13. Profile your state
4. Factors affecting the formation of international trade regions, organizations, and agreements	14. Profile a major international trade region
5. Major international trade regions	15. Analyze current events within the major international trade regions
6. Definitions of the major international trade organizations	
7. Purpose of international trade agreements	
8. Definitions of the terms *legal, moral,* and *ethical*	
9. Purpose of a trade-region profile	

Instructional/Task Analysis

Related Information: What the student should know	Application: What the student should be able to do
Unit 3: International Economics and Finance	
1. Definition of the term *economics*	12. Determine the economic advantages of a free-enterprise system
2. Definitions of the types of economic systems	13. Analyze scenarios to determine the trade barriers at work
3. Definitions of basic economic terms	14. Profile a nation's economy
4. Definitions of U.S. trade-enhancing policies	15. Analyze the effects of changing exchange rates
5. Definition of the term *finance*	16. Profile a nation's financial system
6. Definitions of basic financial terms	17. Analyze current events concerning issues relevant to international economics and finance
7. Definitions of the types of risks involved in international financial transactions	
8. Importance of international finance to international trade	
9. Descriptions of types of payment methods used in international financial transactions	
10. Steps in a typical international financial transaction	
11. Types of financial institutions involved in international trade	
Unit 4: Import/Export Basics	
1. Definitions of the terms *import* and *export*	
2. Reasons domestic businesses import goods/services	
3. Reasons domestic businesses export goods/services	
4. Definitions of types of import/export transactions	

Instructional/Task Analysis

Related Information: What the student should know	Application: What the student should be able to do
Unit 4 (cont.)	
5. Definitions of types of businesses commonly employed in indirect import/export transactions	12. Analyze import/export scenarios to determine type of risk described
6. Definitions of types of risks involved in import/export transactions	13. Analyze import/export scenarios to determine type of incoterm described
7. Descriptions of terms of sale used in import/export transactions	14. Interpret import/export documents
8. Definitions of the categories of import/export documentation	15. Analyze a local business' export transaction
9. Definitions of commonly used import/export documents	16. Analyze a local business' import transaction
	17. Plan an export sale
10. Steps in a typical export transaction	
11. Steps in a typical import transaction	18. Analyze current events concerning issues relevant to import/export procedures and documentation
Unit 5: International Marketing	
1. Definition of the term *marketing*	7. Evaluate an international marketing plan
2. Definitions of the components of a marketing mix	8. Analyze current events concerning international marketing efforts
3. Definition of the term *marketing plan*	
4. Steps in developing an international marketing plan	
5. Descriptions of the components of an international marketing plan	
6. Types of sources providing international marketing information	

Academic and Workplace Skill Classifications and Definitions

Skill groups	Subskills	Definitions
Learning skills	Learning to learn	Developing ability to apply knowledge to other situations; knowing how to learn.
Foundation skills	Reading	Comprehending written information and analyzing, summarizing, and applying what has been read to a specific task.
	Writing	Communicating a thought, idea, or fact in written form in a clear, concise manner.
	Math	Applying computation skills such as reasoning, estimation, and problem solving as they are actually used on the job.
	Science	Applying knowledge learned through study or practice that is based on scientific principles as they relate to specific tasks.
Communication skills	Listening	Listening for content, conversation, long-term contexts, emotional meaning, and directions.
	Oral communication	Communicating a thought, idea, or fact in spoken form in a clear, concise manner.
Adaptability skills	Creative thinking	Using imagination to create something new—i.e. an idea, invention, work of art.
	Problem solving (critical thinking)	Recognizing and defining problems, inventing and implementing solutions, and tracking and evaluating results.
Personal-management skills	Self-esteem	Developing self-confidence and creating a positive self-image.
	Motivation/goal setting	Setting and meeting defined goals and objectives.
	Personal and career development	Emphasizing self-direction by establishing and implementing a plan.
Group-effectiveness skills	Interpersonal relations	Developing the ability to maintain positive relations with others.
	Negotiation	Resolving conflict between two or more individuals.
	Teamwork	Working together in a group to reach a common goal.
Influence skills	Organizational effectiveness	Adapting to the organization's goals, values, culture, and traditional modes of operation.
	Leadership	Directing/influencing a group in performance of a specific task; accepting responsibility for others.

Related Academic and Workplace Skills List

Task	Skill group	Subskill	Description
Unit 1: Introduction to the Careers in International Trade			
Gather personal information (A.S. 1)	Foundation skills	Reading	• Comprehending written information and analyzing and applying what has been read to a specific task
		Writing	• Communicating a thought or idea in written form in a clear, concise manner
	Adaptability skills	Problem solving	• Recognizing and defining problems, inventing and implementing solutions, and tracking and evaluating results
	Personal-management skills	Personal and career development	• Emphasizing self-direction by establishing and implementing a plan
		Motivation/goal setting	• Setting and meeting defined goals and objectives
Gather general job information and identify occupational and career-interest areas of choice (A.S. 2)	Foundation skills	Reading	• Comprehending written information and analyzing and applying what has been read to a specific task
		Writing	• Communicating a thought or idea in written form in a clear, concise manner
	Adaptability skills	Problem solving	• Recognizing and defining problems, inventing and implementing solutions, and tracking and evaluating results
	Personal-management skills	Personal and career development	• Emphasizing self-direction by establishing and implementing a plan
		Motivation/goal setting	• Setting and meeting defined goals and objectives
Gather specific job information (A.S. 3)	Foundation skills	Reading	• Comprehending written information and analyzing and applying what has been read to a specific task
		Writing	• Communicating a thought or idea in written form in a clear, concise manner

Related Academic and Workplace Skills List

Task	Skill group	Subskill	Description
Unit 1 (cont.)			
	Adaptability skills	Problem solving	• Recognizing and defining problems, inventing and implementing solutions, and tracking and evaluating results
	Personal-management skills	Personal and career development	• Emphasizing self-direction by establishing and implementing a plan
		Motivation/goal setting	• Setting and meeting defined goals and objectives
Make career decision (A.S. 4)	Foundation skills	Reading	• Comprehending written information and analyzing and applying what has been read to a specific task
		Writing	• Communicating a thought or idea in written form in a clear, concise manner
	Adaptability skills	Problem solving	• Recognizing and defining problems, inventing and implementing solutions, and tracking and evaluating results
	Personal-management skills	Personal and career development	• Emphasizing self-direction by establishing and implementing a plan
		Motivation/goal setting	• Setting and meeting defined goals and objectives
Develop plan of action to meet career goal (A.S. 5)	Foundation skills	Reading	• Comprehending written information and analyzing and applying what has been read to a specific task
		Writing	• Communicating a thought or idea in written form in a clear, concise manner
	Adaptability skills	Problem solving	• Recognizing and defining problems, inventing and implementing solutions, and tracking and evaluating results
	Personal-management skills	Personal and career development	• Emphasizing self-direction by establishing and implementing a plan
		Motivation/goal setting	• Setting and meeting defined goals and objectives

Related Academic and Workplace Skills List

Task	Skill group	Subskill	Description
Unit 1 (cont.)			
Explore the interrelationship of the occupational areas in international trade (A.S. 6)	Foundation skills	Reading	• Comprehending written information and analyzing and applying what has been read to a specific task
		Writing	• Communicating a thought or idea in written form in a clear, concise manner
	Adaptability skills	Problem solving	• Recognizing and defining problems and inventing and implementing solutions
	Group-effectiveness skills	Teamwork	• Working together in a group to reach a common goal
	Influence skills	Organizational effectiveness	• Adapting to the organization's goals, values, culture, and traditional modes of operation
Unit 2: International Trade Regions			
Explore the impact of geography on the major international trade regions (A.S. 1)	Foundation skills	Reading	• Comprehending written information and analyzing and applying what has been read to a specific task
		Writing	• Communicating a thought or idea in written form in a clear, concise manner
	Learning skills	Learning to learn	• Developing ability to apply knowledge to other situations; knowing how to learn
Explore the impact of certain cultural aspects on international trade (A.S. 2)	Foundation skills	Reading	• Comprehending written information and analyzing and applying what has been read to a specific task
		Writing	• Communicating a thought or idea in written form in a clear, concise manner
		Math	• Applying computation skills as they are actually used on the job
	Learning skills	Learning to learn	• Developing ability to apply knowledge to other situations; knowing how to learn

Related Academic and Workplace Skills List

Task	Skill group	Subskill	Description
		Unit 2 (cont.)	
	Adaptability skills	Problem solving	• Recognizing and defining problems, inventing and implementing solutions, and tracking and evaluating results
Profile a local business that participates in international trade (A.S. 3)	Foundation skills	Reading	• Comprehending written information and analyzing and applying what has been read to a specific task
		Writing	• Communicating a thought or idea in written form in a clear, concise manner
	Learning skills	Learning to learn	• Developing ability to apply knowledge to other situations; knowing how to learn
	Influence skills	Organizational effectiveness	• Adapting to the organization's goals, values, culture, and traditional modes of operation
Profile your state (A.S. 4)	Foundation skills	Reading	• Comprehending written information and analyzing and applying what has been read to a specific task
		Writing	• Communicating a thought or idea in written form in a clear, concise manner
	Learning skills	Learning to learn	• Developing ability to apply knowledge to other situations; knowing how to learn
	Influence skills	Organizational effectiveness	• Adapting to the organization's goals, values, culture, and traditional modes of operation
Profile a major international trade region (A.S. 5)	Foundation skills	Reading	• Comprehending written information and analyzing and applying what has been read to a specific task
		Writing	• Communicating a thought or idea in written form in a clear, concise manner
	Learning skills	Learning to learn	• Developing ability to apply knowledge to other situations; knowing how to learn
	Influence skills	Organizational effectiveness	• Adapting to the organization's goals, values, culture, and traditional modes of operation

Related Academic and Workplace Skills List

Task	Skill group	Subskill	Description
Unit 2 (cont.)			
	Group-effectiveness skills	Teamwork	• Working together in a group to reach a common goal
	Communication skills	Oral communication	• Communicating a thought, idea, or fact in spoken form in a clear, concise manner
	Adaptability skills	Creative thinking	• Using imagination to create something new—i.e. an idea, invention, work of art
Analyze current events within the major international trade regions (A.S. 6)	Foundation skills	Reading	• Comprehending written information and analyzing and applying what has been read to a specific task
		Writing	• Communicating a thought or idea in written form in a clear, concise manner
	Adaptability skills	Problem solving	• Recognizing and defining problems and inventing and implementing solutions
	Influence skills	Organizational effectiveness	• Adapting to the organization's goals, values, culture, and traditional modes of operation
Unit 3: International Economics and Finance			
Determine the economic advantages of a free-enterprise system (A.S. 1)	Foundation skills	Reading	• Comprehending written information and analyzing and applying what has been read to a specific task
		Writing	• Communicating a thought or idea in written form in a clear, concise manner
	Adaptability skills	Problem solving	• Recognizing and defining problems, inventing and implementing solutions, and tracking and evaluating results
	Group-effectiveness skills	Teamwork	• Working together in a group to reach a common goal
Analyze scenarios to determine the trade barriers at work (A.S. 2)	Foundation skills	Reading	• Comprehending written information and analyzing and applying what has been read to a specific task

Related Academic and Workplace Skills List

Task	Skill group	Subskill	Description
		Unit 3 (cont.)	
		Writing	• Communicating a thought, idea, or fact in written form in a clear, concise manner
	Adaptability skills	Problem solving	• Recognizing and defining problems, inventing and implementing solutions, and tracking and evaluating results
	Learning skills	Learning to learn	• Developing ability to apply knowledge to other situations; knowing how to learn
Profile a nation's economy (A.S. 3)	Foundation skills	Reading	• Comprehending written information and analyzing and applying what has been read to a specific task
		Writing	• Communicating a thought or idea in written form in a clear, concise manner
	Learning skills	Learning to learn	• Developing ability to apply knowledge to other situations; knowing how to learn
	Influence skills	Organizational effectiveness	• Adapting to the organization's goals, values, culture, and traditional modes of operation
	Group-effectiveness skills	Teamwork	• Working together in a group to reach a common goal
	Communication skills	Oral communication	• Communicating a thought, idea, or fact in spoken form in a clear, concise manner
	Adaptability skills	Creative thinking	• Using imagination to create something new—i.e. an idea, invention, work of art
Analyze the effects of changing exchange rates (A.S. 4)	Foundation skills	Reading	• Comprehending written information and analyzing and applying what has been read to a specific task
		Math	• Applying computation skills
	Adaptability skills	Problem solving	• Recognizing and defining problems, inventing and implementing solutions, and tracking and evaluating results

Related Academic and Workplace Skills List

Task	Skill group	Subskill	Description
		Unit 3 (cont.)	
Profile a nation's financial system (A.S. 5)	Foundation skills	Reading	• Comprehending written information and analyzing and applying what has been read to a specific task
		Writing	• Communicating a thought or idea in written form in a clear, concise manner
	Learning skills	Learning to learn	• Developing ability to apply knowledge to other situations; knowing how to learn
	Influence skills	Organizational effectiveness	• Adapting to the organization's goals, values, culture, and traditional modes of operation
	Group-effectiveness skills	Teamwork	• Working together in a group to reach a common goal
	Communication skills	Oral communication	• Communicating a thought, idea, or fact in spoken form in a clear, concise manner
	Adaptability skills	Creative thinking	• Using imagination to create something new—i.e. an idea, invention, work of art
Analyze current events concerning issues relevant to international economics and finance (A.S. 6)	Foundation skills	Reading	• Comprehending written information and analyzing and applying what has been read to a specific task
		Writing	• Communicating a thought, idea, or fact in written form in a clear, concise manner
	Adaptability skills	Problem solving	• Recognizing and defining problems and inventing and implementing solutions
	Influence skills	Organizational effectiveness	• Adapting to the organization's goals, values, culture, and traditional modes of operation
		Unit 4: Import/Export Basics	
Analyze import/export scenarios to determine type of risk described (A.S. 1)	Foundation skills	Reading	• Comprehending written information and analyzing and applying what has been read to a specific task
		Writing	• Communicating a thought, idea, or fact in written form in a clear, concise manner

Related Academic and Workplace Skills List

Task	Skill group	Subskill	Description
	Unit 4 (cont.)		
	Adaptability skills	Problem solving	• Recognizing and defining problems, inventing and implementing solutions, and tracking and evaluating results
	Learning skills	Learning to learn	• Developing ability to apply knowledge to other situations; knowing how to learn
Analyze import/export scenarios to determine type of incoterm described (A.S. 2)	Foundation skills	Reading	• Comprehending written information and analyzing and applying what has been read to a specific task
		Writing	• Communicating a thought, idea, or fact in written form in a clear, concise manner
	Adaptability skills	Problem solving	• Recognizing and defining problems, inventing and implementing solutions, and tracking and evaluating results
	Learning skills	Learning to learn	• Developing ability to apply knowledge to other situations; knowing how to learn
Interpret import/export documents (A.S. 3)	Foundation skills	Reading	• Comprehending written information and analyzing and applying what has been read to a specific task
		Writing	• Communicating a thought, idea, or fact in written form in a clear, concise manner
	Learning skills	Learning to learn	• Developing ability to apply knowledge to other situations; knowing how to learn
	Influence skills	Organizational effectiveness	• Adapting to the organization's traditional modes of operation
Analyze a local business' export transaction (A.S. 4)	Foundation skills	Reading	• Comprehending written information and analyzing and applying what has been read to a specific task
		Writing	• Communicating a thought, idea, or fact in written form in a clear, concise manner

Related Academic and Workplace Skills List

Task	Skill group	Subskill	Description
		Unit 4 (cont.)	
	Communication skills	Listening	• Listening for content, conversation, long-term contexts, emotional meaning, and direction
	Adaptability skills	Creative thinking	• Using imagination to create something new—i.e. an idea, invention, work of art
		Problem solving	• Recognizing and defining problems, inventing and implementing solutions, and tracking and evaluating results
	Group-effectiveness skills	Teamwork	• Working together in a group to reach a common goal
	Influence skills	Organizational effectiveness	• Adapting to the organization's goals, values, culture, and traditional modes of operation
Analyze a local business' import transaction (A.S. 5)	Foundation skills	Reading	• Comprehending written information and analyzing and applying what has been read to a specific task
		Writing	• Communicating a thought or idea in written form in a clear, concise manner
	Communication skills	Listening	• Listening for content, conversation, long-term contexts, emotional meaning, and direction
	Adaptability skills	Creative thinking	• Using imagination to create something new—i.e. an idea, invention, work of art
		Problem solving	• Recognizing and defining problems, inventing and implementing solutions, and tracking and evaluating results
	Group-effectiveness skills	Teamwork	• Working together in a group to reach a common goal
	Influence skills	Organizational effectiveness	• Adapting to the organization's goals, values, culture, and traditional modes of operation

Related Academic and Workplace Skills List

Task	Skill group	Subskill	Description
Unit 4 (cont.)			
Plan an export sale (A.S. 6)	Foundation skills	Reading	• Comprehending written information and analyzing and applying what has been read to a specific task
		Writing	• Communicating a thought or idea in written form in a clear, concise manner
	Communication skills	Listening	• Listening for content, conversation, long-term contexts, emotional meaning, and direction
	Learning skills	Learning to learn	• Developing ability to apply knowledge to other situations; knowing how to learn
	Adaptability skills	Problem solving	• Recognizing and defining problems, inventing and implementing solutions, and tracking and evaluating results
	Influence skills	Organizational effectiveness	• Adapting to the organization's goals, values, culture, and traditional modes of operation
Analyze current events concerning issues relevant to import/export procedures and documentation (A.S. 7)	Foundation skills	Reading	• Comprehending written information and analyzing and applying what has been read to a specific task
		Writing	• Communicating a thought, idea, or fact in written form in a clear, concise manner
	Adaptability skills	Problem solving	• Recognizing and defining problems and inventing and implementing solutions
	Influence skills	Organizational effectiveness	• Adapting to the organization's goals, values, culture, and traditional modes of operation
Unit 5: International Marketing			
Evaluate an international marketing plan (A.S. 1)	Foundation skills	Reading	• Comprehending written information and analyzing and applying what has been read to a specific task
		Writing	• Communicating a thought or idea in written form in a clear, concise manner

Related Academic and Workplace Skills List

Task	Skill group	Subskill	Description
Unit 5 (cont.)			
	Learning skills	Learning to learn	• Developing ability to apply knowledge to other situations; knowing how to learn
	Adaptability skills	Problem solving	• Recognizing and defining problems, inventing and implementing solutions, and tracking and evaluating results
	Influence skills	Organizational effectiveness	• Adapting to the organization's goals, values, culture, and traditional modes of operation
Analyze current events concerning international marketing efforts (A.S. 2)	Foundation skills	Reading	• Comprehending written information and analyzing and applying what has been read to a specific task
		Writing	• Communicating a thought, idea, or fact in written form in a clear, concise manner
	Adaptability skills	Problem solving	• Recognizing and defining problems and inventing and implementing solutions
	Influence skills	Organizational effectiveness	• Adapting to the organization's goals, values, culture, and traditional modes of operation

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Introduction to the Careers in International Trade
Unit 1

Suggested Activities

Instructional plan

Preparation

- Review unit and plan presentation. Study the specific objectives to determine the order in which you will present the objectives.

  Review the unit introduction and teaching suggestions included in the delivery and application section below and plan classroom activities. Also note suggestions for media and supplemental materials.

  Plan presentation to take advantage of student learning styles and to accommodate special-needs students.

- Review Teacher Supplements 3 and 4 and Part B of Assignment Sheet 6. Determine the format you prefer to have students use in completing the portfolio assignment required in this and each unit of instruction in this publication. Also, collect student resources required for this unit-by-unit project.

- Obtain films, videotapes, and other media to supplement instruction of this unit.

- Make transparencies from the transparency masters included in the teacher pages of this unit.

- Select teacher components (teacher supplements, written test, unit evaluation form) you want to distribute to your students. Copy and prepare these components for distribution.

- Prepare classroom. Put up posters and charts and display articles and other references related to the objectives of this unit.

Delivery and application

Unit introduction

- Have students locate the objective sheet. Discuss unit and specific objectives.

Suggested Activities

Teaching suggestions

The skill areas appearing in bold-face type in the teaching suggestions refer to the academic and workplace skills identified by the American Society of Training and Development (ASTD) and the U.S. Department of Labor. These have been adapted by MAVCC.

Objective 1 Match terms associated with careers in international trade to their correct definitions.

- Point out the differences in the definitions of the terms *job, occupational area*, and *career*. In common usage, people seldom differentiate much between the meanings of these terms; however, in this unit these terms are to be used in clearly different contexts. Point out and expand on the example given under the definition of each term to help students learn the precise meanings as they are used in this unit: a *job* is a specific activity such as a computer operator performs; a computer operator works in the *occupational area* of communication, where all the jobs involve changing information into messages that can be transmitted. And within that occupational area, a computer operator may pursue a *career* path that finally leads him or her to the ultimate career goal of computer systems analyst. **(Reading/listening for content; applying technical terms)**

- Also, take time to help students clearly differentiate between the terms *occupational area* and *career-interest area*. Besides the definitions listed in the objective, another main point to be stressed is that career-interest areas can be found in all the occupational areas. **(Reading/listening for content; applying technical terms)**

- Treat the four terms *interest, aptitude, skill*, and *value* as a group, as they all relate to the first step in the career decision-making process presented in Objective 4 and further explored in Assignment Sheet 1. Lead a class discussion in which students are asked to read the definitions and then work in groups to come up with an example to show how these terms relate. An example is given below.

  My primary *interest* is becoming a translator/interpreter in the international trade field. I discovered my *aptitude* for foreign languages when taking Spanish in junior high. I took advanced Spanish and French classes in high school and college to further my language *skills*. I have also traveled to Mexico, South America, Spain, and France to study these cultures and further my language skills. I think I *value* becoming a translator/interpreter over other jobs because it allows me to combine my love of working with people while using my foreign-language skills. **(Reading/listening for content; applying technical terms; working together in a group to reach a common goal; using imagination to create something new; communicating a thought, idea, or fact in spoken form in a clear, concise manner)**

Objective 2 Match occupational areas in international trade to their correct definitions. **Objective 3** Match career-interest areas in international trade to their correct definitions.

- Conduct a class discussion in which you have students recall the definitions of *occupational area* and *career-interest area* that they learned in Objective 1 of the information sheet. Point out to students that in this unit they will first select an occupational area in international trade that they wish to explore and then further explore a career-interest area within the selected occupational area. Stress that within each occupational area there are many career-interest areas; therefore, each student will have many career options within the occupational area he or she will choose to explore. **(Listening for content; reading and applying technical terms)**

Objective 4 List steps in career decision making.

- Discuss with students the fact that many of the careers in international trade have their counterparts in other industries, and although we will be discussing the careers in international trade specifically, this career exploration can also transfer to more general areas if the student finds that he or she has little interest in the international-trade area. An example of this is this objective. Although students will be using the seven steps in the career decision-making process to explore specific careers within international trade, learning these seven steps in this context will also provide them with a framework for exploring careers in other areas. Relate this framework to the flowchart presented in Transparency 1 and Figure 1 in the information sheet. Discuss how it can be used in all career exploration.

  Explain that students will be carefully guided through each of these seven steps of career decision making in Assignment Sheets 1 through 5. **(Listening for content; emphasizing self-direction by establishing and implementing a plan)**

Suggested Activities

- Read with students Step 1 in the career decision-making process: Gather personal information by defining your interests, aptitudes, skills, and values. Discuss with students that both formal and informal interest inventories can be used as tools to help them define their own interests, aptitudes, skills, and values. Formal interest inventories are standardized tests administered and evaluated by trained personnel such as the school counselor. These formal tests have no right or wrong answers. They just have questions especially designed to determine students' interest *if* they answer the questions as honestly as possible.

  Informal interest inventories are similar to formal inventories as they also ask questions that have no right or wrong answers and they too can be used as tools for determining students' interests *if* they answer the questions as honestly as possible. The difference between the two types of inventories is that the student administers and evaluates an informal self-inventory. Encourage students to utilize both types of inventories if possible in determining their personal interests, aptitudes, skills, and values.

  Relate to students that in Assignment Sheet 1, "Gather Personal Information," they will be using an informal self-inventory to define their interests, aptitudes, skills, and values. Again, stress that there are no right or wrong answers to this assignment sheet and, therefore, the only evaluation criteria for the assignment are that the directions have been followed and that the answers to the questions are relevant and well thought out.

  Read with students the introduction to Assignment Sheet 1 and carefully discuss the information presented. Then, read and discuss the directions to the various sections of the exercise (self-inventory) included in the assignment. Have students complete Assignment Sheet 1. **(Reading/listening for content; reading/listening for directions; applying technical terms; emphasizing self-direction by establishing and implementing a plan)**

- Read with students Step 2 in the career decision-making process: Gather general job information. Relate to students that during this step they will do some general research into the occupational and career-interest areas in international trade so that they can sample the types of jobs available in each area.

Suggested Activities

- Read with students Step 3 in the career decision-making process: Identify occupational area of choice and a career-interest area of choice. Explain that during this step students will identify an occupational and career-interest area that best meets the interests, aptitudes, skills, and values they identified in Assignment Sheet 1.

  Have students locate and discuss Assignment Sheet 2, "Gather General Job Information and Identify Occupational and Career-Interest Areas of Choice." Explain that the introduction to the assignment sheet is divided into two sections: (1) occupational areas in international trade and (2) career-interest areas in international trade. These two sections will provide students with the general information they will need for a "sample" of the different occupations in international trade. Emphasize that students should take notes on the occupational and career-interest areas that seem to match their interests, aptitudes, skills, and values identified in Assignment Sheet 1. Then, in the exercise associated with this assignment sheet, they will be asked to first rank and then identify both an occupational and career-interest area of choice. Therefore, they will have completed Step 2 and Step 3 in the career decision-making process.

  Read with students and then discuss the directions to the various sections of the exercise included in the assignment. Have students complete Assignment Sheet 2. **(Reading/listening for content; reading/listening for directions; emphasizing self-direction by establishing and implementing a plan)**

- Read with students Step 4 in the career decision-making process: Gather specific job information to compare jobs within occupational area of choice and career-interest area of choice. Explain that at this step the students will be locating and compiling specific job information for the jobs within the occupational and interest areas they chose in Assignment Sheet 2.

  Display the basic reference materials students will need to locate specific job information in the areas they have chosen: *Occupational Outlook Handbook, Dictionary of Occupational Titles,* and *Guide for Occupational Exploration.* Explain that they may find few specific job titles involving the terms *international trade;* however, they may find many references to jobs in *domestic trade.* The job duties in each of these

40

areas would be the same except that jobs in international trade involve some activities outside the national borders.

- Discuss with students the information in Teacher Supplement 1, "Education and Training Levels." This information is basic to their understanding the educational levels discussed in the resources they will be using.

Have students locate Assignment Sheet 3, "Gather Specific Job Information," and read the introduction to the assignment. Emphasize the type of job information that can be obtained from the three basic references listed above and discussed in the introduction. Demonstrate the method used to retrieve information from each of these three sources.

Arrange a field trip to the library/media center, where the librarian should show students where complete sets of the three basic references are located and also discuss additional job information that can be found in that particular library, such as career publications, books, and magazines.

Have a representative of a computerized guidance program, such as the Career Search program mentioned in the introduction to the assignment, come to the classroom and demonstrate the computer program and show samples of the types of information resulting from the program. Discuss the information included in the "Career Search Booklet" provided in Student Supplement 1 of this unit.

Discuss with students other methods of obtaining job information, such as conducting personal interviews, watching audiovisual presentations, and contacting apprenticeship programs or state employment agencies.

Read with students the section of the introduction called "What you want to know" and explain how Student Supplement 2, "Job-Information Report Form," asks students to provide the type of information requested in this section of the introduction.

Read and discuss with students the directions to the exercise included in the assignment. Have students complete Assignment Sheet 3. **(Reading/listening for content; reading/listening for directions; emphasizing self-direction by establishing and implementing a plan; developing ability to apply knowledge to other situations; knowing how to learn)**

Suggested Activities

- Read with students Step 5 in the career decision-making process: Make a career decision (define career goal). Then, have students locate Assignment Sheet 4, "Make Career Decision," and Student Supplement 3, "Job-Comparison Worksheet." Read with students the introduction to the assignment sheet and discuss the information presented. Then, read and discuss the directions to the exercise and the use of Student Supplement 3. Have students complete Assignment Sheet 4. **(Reading/listening for content; reading/listening for directions; emphasizing self-direction by establishing and implementing a plan)**

- Read with students Step 6 in the career decision-making process: Develop a plan of action. Then, have students locate Assignment Sheet 5, "Develop Plan of Action to Meet Career Goal," and Student Supplements 4 through 8.

  Read with students the introduction to the assignment sheet, pointing out that creating a career plan of action merely involves developing short-term and long-term objectives and then listing these objectives in chronological order. By following the steps in the exercise in Assignment Sheet 5, the students will be carefully guided through the objective-setting process.

  Read with students the directions to the exercise and discuss the completing of the student supplements. Show students copies of Teacher Supplement 2, "Sample Plan of Action," in your discussion of the directions for completing this assignment.

  Have students complete Assignment Sheet 5. **(Reading/listening for content; reading/listening for directions; emphasizing self-direction by establishing and implementing a plan)**

- Read with students Step 7 in the career decision-making process: Evaluate career goal and plan of action. Remind students that they should review and revise their plan of action as needed in the future to reflect their changing interests and skills, but that they should not change the plan of action for foolish reasons. They should always think about what they are doing and perhaps go through this decision-making process each time they believe their skills and interests have changed. Again, refer to Figure 1 in the

Suggested Activities

information sheet when making this point. **(Reading/listening for content; reading/listening for directions; emphasizing self-direction by establishing and implementing a plan)**

Objective 5 Discuss the interrelationship of the occupational areas in international trade.

- Discuss with students the fact that, as they do in all industries, the personnel in international trade must work together to complete their goals. Then, go over the basic explanation presented in the information sheet. Hold a class discussion to be sure students understand this interrelationship. Use Transparency 2, "Interrelationship of the Occupational Areas in International Trade," to illustrate your discussion. **(Reading/listening for content; communicating in spoken form)**

- Have all students turn in the "Job-Information Report Forms" they completed in Assignment Sheet 3. Then, you compile (or have students compile) all their forms into one large file divided by occupational-area headings.

  Have students review the report forms, and then conduct a class discussion on the activities performed in the various jobs. **(Reading/listening for content; communicating in spoken form)**

- Have students locate Assignment Sheet 6, "Explore the Interrelationship of the Occupations in International Trade," and Student Supplement 9, "Honda Overview." Read with students the introduction to the assignment sheet and discuss the directions to the exercise. Have students complete Assignment Sheet 6. **(Reading/listening for content; reading/listening for direction)**

Evaluation

- Evaluate assignment sheets. See the evaluation criteria listed at the top of each assignment sheet as well as the teacher page "Answers to Assignment Sheets."
- Give written test. See the teacher page "Written Test."
- Evaluate written test. See the teacher page "Answers to Written Test."

Suggested Activities

- Compile written-test and assignment-sheet scores. See the teacher page "Unit Evaluation Form."
- Reteach and retest as required.

Suggested resources

Resources used in developing this unit

Print media

- Bennett, Peter D. *Marketing*. New York: McGraw-Hill Book Company, 1988.
- Daniels, John D., and Lee H. Radebaugh. *International Business Environments and Operations*. Reading, MA: Addison-Wesley Publishing Company, 1989.
- *Employment in Agribusiness*. 2nd ed. Stillwater, OK: Mid-America Vocational Curriculum Consortium, Inc., 1992.
- *Exploring Aeronautics and Space Technology*. Stillwater, OK: Mid-America Vocational Curriculum Consortium, Inc., 1991.
- *Exploring Your World—The Adventure of Geography*. Washington, D.C.: The National Geographic Society, 1989.
- Harvard Business Review. *Selling in Foreign Markets*. Boston, MA: Harvard College, 1981.
- House, Clifford R., and Kathie Sigler. *Reference Manual for the Office*, 7th ed. Cincinnati, OH: South-Western Publishing Company, 1989.
- Johnson, Sue. *International Trade Economics LAP 4*. Columbus, OH: Marketing Education Resource Center, a Division of IDECC, Inc., 1987.
- Kelly, Joan, and Ruth Volz-Patton. *Career Skills*. Encino, CA: Glencoe Publishing Company, 1987.
- Kruzel, Sandra L., and Frank Reynolds. *Import/Export Procedures*. Cincinnati, OH: South-Western Publishing Company, 1992.

Suggested Activities

- Lynch, Richard L., and Edwin L. Herr. *Career Core Competencies: Getting the Job.* New York: Gregg Division, McGraw-Hill Book Company, 1977.

- Lynch, Richard L., Herbert L. Ross, and Ralph D. Wray. *Introduction to Marketing.* New York: Gregg Division, McGraw-Hill Book Company, 1984.

- Stanford, Quentin H., and Warren Moran. *Geography—A Study of Its Elements.* Toronto, Canada: Oxford University Press, 1969.

Resources used as student references

Note: The materials listed below were used as resources in pre-preparing Student Supplement 1: "Career Search Booklet."

- *Career Search Occupational Abstracts.* Stillwater, OK: Oklahoma Department of Vocational and Technical Education, Career Search Division, n.d.

  Oklahoma teachers may order a computerized version of the Career Search program for either Apple, IBM, or IBM-compatible computers by contacting the

  Career Search Division
  Oklahoma Department of Vocational
  and Technical Education
  1500 West Seventh Avenue
  Stillwater, OK 74074-4364

  Phone: 1-800-522-5810.

  Teachers in other states may order a similar computerized program from

  COIN Educational Products
  3361 Executive Parkway, Suite 302
  Toledo, OH 43606

  Phone: 1-800-274-8515.

Introduction to the Careers in International Trade
Unit 1

Answers to Assignment Sheets

Assignment Sheets 1 through 5	Student performance should be evaluated according to the criteria listed on each assignment sheet. Evaluator's note: The content of personal opinions requested of the student in these assignment sheets should not be graded per se; there are no right or wrong answers. In evaluating these assignment sheets, the evaluator should look for seriousness of effort and completeness rather than for "correctness."
Assignment Sheet 6	Student performance should be evaluated according to the criteria listed on the assignment sheet. Evaluator's note: See Teacher Supplement 3 for evaluation suggestions for the portfolio project.

Introduction to the Careers in International Trade
Unit 1

Answers to Written Test

1. a. 9
   b. 2
   c. 4
   d. 5
   e. 6
   f. 7
   g. 8
   h. 3
   i. 1

2. a. 2
   b. 1
   c. 4
   d. 3

3. a. 5
   b. 7
   c. 6
   d. 2
   e. 3
   f. 4
   g. 1
   h. 9
   i. 8
   j. 12
   k. 11
   l. 10

4. a. Gather personal information.
   b. Gather general job information.
   c. Identify occupational area of choice and career-interest area of choice.
   d. Gather specific job information to compare jobs within occupational area of choice and career-interest area of choice.
   e. Make career decision.
   f. Develop plan of action to meet career goal.
   g. Evaluate career goal and plan of action.

5. Discussion should include the following.

   Teamwork is an important part of the international-trade arena. All those who work in one occupational area depend upon those in the other areas for the smooth and efficient flow of the manufacturing process, the required paperwork, legal considerations, and the final transportation of goods/services.

Introduction to the Careers
in International Trade
Unit 1

Written Test

Name ________________________________ Score ______________

1. Match terms associated with careers in international trade to their correct definitions. Write the numbers on the blanks.

______a. Personal judgment concerning the importance or worth of a thing or quality

______b. Planned or responsible activity a person performs with expectation of return for efforts

______c. Path person follows within an occupational area

______d. Group of jobs similar according to interests; work activity occurring in all occupational areas

______e. Thing, subject, or activity in life that you like to do or that makes you happy

______f. Talent or potential for being able to do something

______g. Activity you have been trained to do and have practiced doing

______h. Group of jobs similar according to the nature of the work being performed

______i. Exchange of goods or services across international boundaries

1. International trade
2. Job
3. Occupational area
4. Career
5. Career-interest area
6. Interest
7. Aptitude
8. Skill
9. Value

Written Test

2. Match occupational areas in international trade to their correct definitions. Write the numbers on the blanks.

______a. Jobs involved with changing information into messages that can be understood and transmitted

______b. Jobs involved with providing the support activities necessary to allow a company or agency to fulfill its mission of making a profit in an efficient and legal manner

______c. Jobs involved with providing goods/services that satisfy the needs and wants of customers

______d. Jobs involved with providing an orderly movement of goods/services

1. Business/finance
2. Communications
3. Logistics
4. Marketing

3. Match career-interest areas in international trade to their correct definitions. Write the numbers on the blanks. Terms and definitions continue on the next page.

______a. People whose job interests include working with tools, machines, and related hydraulic and electrical subsystems

______b. People whose job interests include working with tools and mechanical devices in order to move goods

______c. People whose job interests include construction; law-enforcement; civil engineering; and mechanical, hydraulic, and electrical applications

______d. People whose job interests include knowing and interpreting laws

______e. People whose job interests include personnel management, human behavior, and social studies

______f. People whose job interests include the management of communication equipment

______g. People whose job interests include making banking and financial arrangements

1. Financial-services personnel
2. Legal-services personnel
3. Human-resources personnel
4. Telecommunications personnel
5. Heavy-equipment operators
6. Inspectors
7. Material handlers

Written Test

______h. People whose job interests include working with communications and public relations

______i. People whose job interests include doing clerical or secretarial work within an office; supervising other clerks or secretaries; setting up and using computer systems and peripheral equipment; and overseeing all business purchases

______j. People whose job interests include displaying merchandise, demonstrating merchandise, estimating or quoting prices, advising customers of product servicing, contacting customers, preparing estimates, recommending new merchandise, soliciting orders, processing orders, and recording and reporting sales

______k. People whose job interests include reviewing advertising trends, planning advertising campaigns, developing promotional plans, budgeting for programs, and preparing art as needed for advertisements

______l. People whose job interests include preparing production schedules, coordinating the flow of work, and keeping inventory and pricing information

8. Office administration
9. Public-relations personnel
10. Product-improvement personnel
11. Advertising personnel
12. Sales personnel

4. List steps in career decision making. Write your answers on the blanks provided.

a. Step 1—______________________________
b. Step 2—______________________________
c. Step 3—______________________________
d. Step 4—______________________________
e. Step 5—______________________________
f. Step 6—______________________________
g. Step 7—______________________________

Written Test

5. Discuss the interrelationship of the occupational areas in international trade. Write your answer on the blanks provided.

____

____

____

____

____

____

____

Permission to duplicate this test is granted.

Introduction to the Careers in International Trade
Unit 1

Unit Evaluation Form

Student name ____________________ Unit rating ________

Assignment-sheet ratings

Assignment Sheet 1—Gather Personal Information Rating ______

Comments: ______________________________

____

____

Assignment Sheet 2—Gather General Job Information and Identify Occupational and Career-Interest Areas of Choice Rating ______

Comments: ______________________________

____

____

Assignment Sheet 3—Gather Specific Job Information Rating ______

Comments: ______________________________

____

____

Assignment Sheet 4—Make Career Decision Rating ______

Comments: ______________________________

____

____

Assignment Sheet 5—Develop Plan of Action to Meet Career Goal Rating ______

Comments: ______________________________

____

____

Unit Evaluation Form

Assignment Sheet 6—Explore the Interrelationship of the Occupational Areas in International Trade

Rating ______

Comments: ____

____

____

Written-test scores

Pretest ______ Posttest ______ Other ______

Comments: ____

____

____

Teacher signature ______________________________ Date ____________

Student signature ______________________________ Date ____________

Permission to duplicate this form is granted.

Introduction to the Careers in International Trade
Unit 1

Teacher Supplement 1—Education and Training Levels

Type	Description	Length of training	Transfer credit
OJT	On-the-job training is specific training by the employer. This includes military service.	Usually less than 6 months	
HS diploma	This entry-level training is offered at comprehensive high schools.	1 to 3 years	Some credits may be transferable to postsecondary programs.
Certificate	This training centers on specific skills of a particular occupation. It may be offered through vocational schools or community colleges.	3 months to 2 years	
Apprenticeship	This formal training program involves work experience and classroom instruction.	2 to 5 years	Only credits earned in a college may be transferable.
Associate degree	This training in specific vocations is offered at community colleges.	2 years	Some credits may be transferable to 4-year programs.
Bachelor's degree	This formal training program leads to a degree from a college or university.	4 years	Credits may be transferable between colleges and universities.
Master's degree	This advanced degree is required for entry into certain careers.	1 to 2 years beyond a bachelor's	Credits may be transferable between colleges and universities.
Doctorate	This training is for such professions as physician, dentist, lawyer, pastor, scientist, and college teacher.	3 to 5 years beyond a bachelor's	Credits may be transferable from one program to another.

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Introduction to the Careers in International Trade
Unit 1

Teacher Supplement 2—Sample Plan of Action

Mary's Plan of Action

Career goal: Advertising Agent

1993	
June-August	Take job to begin saving for college
(Sophomore) Sept.-Dec.	Take first-semester general math Take first-semester English Take first-semester general business Take first-semester speech
	Decrease hours at work to no more than 20 hours per week
1994 Jan.-May	Complete general math Complete English Complete general business Complete speech
	Continue working
June-August	Increase hours at work
(Junior) Sept.-Dec.	Take first-semester psychology Take first-semester art Take first-semester algebra
	Decrease hours at work to no more than 20 hours per week
1995 Jan.-May	Complete psychology Complete art Complete algebra
	Begin research to find colleges with good advertising programs
June-August	Increase hours at work
	Send out letters of inquiry to colleges of interest

Teacher Supplement 2

Plan of Action
(cont.)

(Senior) Sept.-Dec.	Take first-semester cooperative education-office/distribution Take first-semester general merchandising Take English Decrease hours at work to no more than 20 hours per week Select college of choice
1996 Jan.-May	Register for college Complete cooperative education-office/distribution Complete general merchandising Complete English
June-August	Find part-time job for college
Sept.-Dec.	Complete first-semester college
1997	Complete second-semester college Find summer internship in advertising industry and secure employment for following summer Complete third-semester college
1998	Complete fourth-semester college Complete summer internship in advertising industry Complete fifth-semester college
1999	Complete sixth-semester college Complete summer internship in advertising industry and do research on companies that may provide future full-time employment Complete seventh-semester college Prepare résumé and begin career search
2000	Complete eighth-semester college Send out résumés and complete career search Graduate Obtain employment as an advertising agent

Permission to duplicate this supplement is granted.

Introduction to the Careers
in International Trade
Unit 1

Teacher Supplement 3—Portfolio Project

Much is written and reported each day concerning the increasing importance of international trade. Throughout this publication, students will be asked to read and collect articles in current periodicals on the subject of the unit they are studying. These articles will be compiled into a portfolio, where students will analyze the articles they have collected. For instance, in this first unit students will be asked in Assignment Sheet 6 to collect and analyze articles (photocopies or clippings) on occupations in international trade.

Therefore, the instructor will need to have (1) a format to be used for a portfolio and (2) a number of resources available in the classroom for student use in completing research for each portfolio assignment.

Portfolio format

Educators in some states are beginning to use portfolio assignments as alternative methods of evaluating student progress in a field of study—especially student progress in higher-order thinking skills. In states where educators use portfolios, the format for these assignments has generally been dictated.

For the portfolio assignments required in this publication, teachers should use the required guidelines for their state if these have been established. If not, the teacher should develop individual guidelines for the portfolio assignments. Instructors will vary on the importance they place on any of the various elements of a written assignment requiring students to perform at the analysis level (grammar, structure, purpose, relevance, etc.). Therefore, the grading requirements of each of these assignments have been left up to you to establish specifically. The curriculum writer's purpose in creating these assignments was to get students to perform analysis in each unit of instruction, and the relevance and organization of the student product are the only criteria established.

Research resources

A number of resources for articles on international trade are readily available in libraries or even in students' homes. Readily available resource periodicals to review include:

Magazines

Newsweek
Time
U.S. News & World Report
Forbes
Business Week
Fortune
National Geographic

Newspapers

Local and state daily newspapers
*The Wall Street Journal**
USA Today
New York Times

*The Wall Street Journal makes a classroom edition available with a monthly teacher guide, posters, and supplemental videos. Call 1-800-628-9320, ext. 2172 for information

Teacher Supplement 3

As the study of international trade becomes more specific in later units of this publication, the various topics will determine what articles students will be required to review. In this case, the *Reader's Guide of Periodical Literature,* found in most public libraries, is an excellent catalog of current articles appearing in periodicals. Entries in the *Reader's Guide* are listed alphabetically by subject.

Although the assignments will call for a collection of newspaper and magazine articles, many tips on subjects to explore can be obtained from broadcast reports on radio and television. For those who have access to cable television, an excellent source of current-event subjects in international trade would be CNN's *Moneyline.*

Various state and federal government and private institutions also produce publications on international trade. Instructors should contact any state or federal office possibly linked to international trade (state department of commerce, office of international trade, department of tourism, cooperative extension service, department of economic development, export-assistance center[s], U.S. Customs Service, U.S. Government Printing Office, U.S. Department of Agriculture, U.S. Department of State, etc.). Private institutions instructors should contact include the World Bank, National Geographic Society, Dun and Bradstreet, etc.

On the following pages (Teacher Supplement 4), you will find a portion of an extensive listing of international-trade publishers compiled in 1989 by Alaska, Oregon, and Washington in a joint vocational-education curriculum project called *International Trade Curriculum.* This listing should provide you with ample information for starting an international trade resource library for your classroom.

Introduction to the Careers
in International Trade
Unit 1

Teacher Supplement 4—Alaska, Oregon, and Washington
International Trade Curriculum Resource Listing

Suggested resources

This section identifies specific resources and sources for finding instructional materials and supplies for international-trade education.

The following source lists have been characterized by media type to facilitate teacher use: resource libraries, publishers, associations, periodicals, special books/pamphlets, and audiovisual media.

Getting started identifies materials that will help a teacher establish an international trade collection. The list provides a starting point in collecting resources to teach the international-trade core.

The Department of Education has not formally reviewed nor approved all the resources listed in this section. Teachers are encouraged to preview materials before using them in the classroom.

Getting started

Foreign Policy Association 729 Seventh Avenue New York, NY 10019 (212)764-4050	• Great Decisions Series: Foreign Policy Issues Facing the Nation • catalog of publications
International Chamber of Commerce Publishing Corporation, Inc. 801 Second Avenue, Suite 1204 New York, NY 10017	• Guide to Incoterms • Incoterms
Joint Council on Economic Education 432 Park Avenue South New York, NY 10016 (212)685-5499	• Master Curriculum Guide in Economics: Teaching Strategies for International Trade by Donald R. Wentworth and Kenneth E. Leonard • catalog of publications
Local, state, or university library	• computerized data bases for trade research such as DIALOG (references to books, patents, directories, journals, articles, technology, business, current affairs); International Business Intelligence Program (abstracts to research reports that analyze key changes affecting international business and industry over next 10 years)

Teacher Supplement 4

Small Business Foundation of America 20 Park Plaza, Suite 438 Boston, MA 02116 (617)350-5096	• Exportise
Stanford Program on International and Cross Cultural Education (SPICE) Lou Henry Hoover Building, Room 200 Stanford University Stanford, CA 94305-6012 (415)723-1116	• International Trade and Protectionism • Introduction to International Trade (Intercom 108) • Living in a Global Age • catalog of publications
Superintendent of Documents U.S. Government Printing Office Washington, DC 20402 (202)783-3238	• A Basic Guide to Exporting • Importing into the United States
TAB Books, Inc. Blue Ridge Summit, PA 17294-0850 (717)794-2191	• Exporting from Start to Finance by L.Fargo Wells and Karin B. Dulat
Unz and Company 190 Baldwin Avenue Jersey City, NJ 07306 (800)631-3098 (201)795-5400	• The Source Book...The "How To" Guide for Exporters and Importers • catalog of publications

Resource libraries

State vocational materials library	• business education curriculum • business education resources • cooperative education and on-the-job training books • home-based business resources • marketing-education curriculum • pre-employment competencies resource guides • tourism curriculum
State historical library	• books and resources on state history
State historical museum	• resources dealing with various state cultures

Teacher Supplement 4

Pacific Rim Business Information Service
Seattle Public Library
1000 4th Avenue
Seattle, WA 98104
(206)386-4645

- information on foreign trade across the Pacific from a consortium of public libraries in Washington and Oregon: books, magazines, directories, pamphlets, videos, databases, reports, government documents

Publishers

Addison-Wesley Publishing Company
390 Bridge Parkway, Suite 200
Redwood City, CA 94065

- High School Lessons in the Pacific Rim
- International Economics by Krugman and Obstfeld
- Multinational Business Finance by Eiteman and Stonehill
- National Security Series
- Teaching Economics—Contents and Strategies

Allyn and Bacon, Inc.
7 Wells Avenue
Newton, MA 02159

- International Management by Anant R. Negandhi

Ballantine Books
201 E. 50th Street
New York, NY 10022
(212)872-8120

- The Entrepreneur's Guide
- The Japanese Mind: The Goliath Explained by Robert Christopher

The Benjamin Company, Inc.
1 Westchester Plaza
Elmsford, NY 10523
(914)592-8088

- Do's and Taboos Around the World

Business Publications, Inc.
Plano, TX 75075

- International Business—Introduction and Essentials by Donald Ball and Wendell McCullough, Jr. (third edition)

Cornell Maritime Press
PO Box 456
Centreville, MD 21617
(301)758-1075

- The Business of Shipping by Kendall
- Export/Import Traffic Management and Forwarding by Murr

Crain Books
4255 West Touhy Avenue
Lincolnwood, IL 60645
(312)679-5500

- International Marketing Communications by Robert Roth

Teacher Supplement 4

Croner Publications 211 Jamaica Avenue Queens Village, NY 11428	• Reference Book for World Traders
DC Heath and Company 125 Spring Street Lexington, MA 02173 (617)862-6650	• Entry Strategies for International Markets by Franklin R. Root
Dryden Press Hinsdale, IL 60521	• International Marketing by Vern Terpstra
Enslow Publishers, Inc. Bloy Street and Ramsey Avenue Box 777 Hillside, NJ 07205	• The Pacific Rim Region—Emerging Giant by Douglas A. Phillips and Steven C. Levi
Export USA Publications PO Box 35422 Minneapolis, MN 55435 (612)893-0624	• Export Sales and Marketing Manual
Gale Research Company Book Tower Detroit, MI 48226	• International Business Travel and Relocation Directory • International Marketing Handbook
Guides to Multinational Business, Inc. PO Box 92 Harvard Square Cambridge, MA 02138 (617)868-2288	• Multinational Executive Travel Companion
Gulf Publishing Company PO Box 2608 Houston, TX 77252 (713)529-4301	• Managing Cultural Differences by Harris and Moran
Intercultural Press, Inc. PO Box 768 Yarmouth, ME 04096 (207)846-5168	• Developing Intercultural Awareness: A Learning Module • International Negotiation: A Cross-Cultural Perspective by Glen Fisher • Managing Intercultural Negotiation: Guide for Trainers and Negotiators • The Management of Intercultural Relations in International Business: A Directory of Resources

Teacher Supplement 4

International Chamber of Commerce
Publishing Corporation, Inc.
801 Second Avenue, Suite 1204
New York, NY 10017

- Guide to Documentary Credit Operations
- Guide to Incoterms
- Incoterms
- International Services

International Self-Council Press
1303 N. Northgate Way
Seattle, WA 98133
(206)522-8383

- Exporting
- Importing: A Practical Manual for Coping with Canadian Customs by Ernest Maitland

Irwin Press
1818 Ridge Road
Homewood, IL 60430
(312)798-6000

- International Banking Handbook
- International Business and Multinational Enterprises by Stefan Robock and Kenneth Simmonds
- International Marketing by Phillip R. Cateora
- International Marketing: An International Perspective

Kent Publishing Company
20 Park Plaza
Boston, MA 02116
(617)542-3377

- Environment of International Business by Kolde
- International Dimensions of the Legal Environment of Business by Michael Litka
- International Marketing Management by Subhash C. Jain

Lexington Books
125 Spring Street
Lexington, MA 02173

- International Business Reference Sources by Cynthia Ryan
- Marketing Ethics: Guidelines for Managers by Gene Raczniak

McDougal, Littell and Company
PO Box 1667
Evanston, IL 60204

- Economics

McGraw-Hill Book Company
8171 Redwood Highway
Novato, CA 94947

- International Marketing: Making Exports Pay Off by Erik Wiklund
- International Marketing Strategies: How to Build International Market Share by Eric Wiklund

Macmillan Publishing Company, Inc.
866 Third Avenue
New York, NY 10022

- The International Economy

Teacher Supplement 4

Merrill Publishing Co. 1300 Alum Creek Drive Columbus, OH 43216	• Cases in Small-Business Management • Small-Business Fundamentals
National Textbook Company 4255 West Touhy Avenue Lincolnwood, IL 60645 (312)679-5500	• How to Do Business with the Japanese: A Complete Guide to Japanese Customs and Business Practices
Oceana Publications, Inc. 75 Main Street Dobbs Ferry, NY 10522 (914)693-1733	• How to Cope with United States Customs by Arthur Demcy
Orbis Books Department TWR Maryknoll, NY 10545 (914)941-7687	• Asia and Pacific: A Directory of Resources • Third World Resource Directories
Pergamon Press Fairview Park Elmsford, NY 10523	• International Marketing by Hans Thorelli and Helmut Becker
Pitman Publishing Route 1, Box 255 Aulander, NC 27805 (919)332-2511	• Finance of International Trade by Whiting
Praeger Publishers, Inc. Division of Greenwood Press, Inc. 1 Madison Avenue, 11th Floor New York, NY 10010-3603	• Business and Society in Japan—Fundamentals for Businessmen • Export Development Strategies: U.S. Promotion Policy by Michael R. Czinkota and George Tasar • Export Marketing Handbook by Walter H. Nagel, Jr., and Gaston Z. Ndyajunwoha • Export Promotion: The Public and Private Sector by Michael R. Czinkota • Japan's Market: The Distribution System by Michael R. Czinkota

Teacher Supplement 4

Prentice-Hall, Inc. Englewood Cliffs, NJ 07632 (201)592-2000	• Economics Explained by Robert Heilbroner and Lester Thurow • Finding, Entering, and Succeeding in a Foreign Market by Seamus G. Connolly • Global Marketing Management by Keegan • How to Start, Finance, and Manage Your Own Small Business • Marketing in the International Environment by Cundiff and Hilger
Prima Publishing and Communications PO Box 1260 Rocklin, CA 95677-1260 (916)624-5718	• Importing into the United States
Random House Publishers 201 E 50th Street New York, NY 10022	• Going International: How to Make Friends and Deal Effectively in the Global Marketplace by Copeland and Griggs
Seoul International Publishing House 33-16 Nonhyun-dong Kangnam-ku Seoul, Korea	• Looking at Each Other: Korean Western Cultures in Contrast
South Western Publishing Company 5101 Madison Road Cincinnati, OH 45227	• International Marketing by Raul Kahler • The Cultural Environment of International Business by Vern Terpstra
Warren, Gorham, and Lamont, Inc. 210 South Street Boston, MA 02111	• International Accounting and Multi-National Enterprises by Jeffrey S. Arpan and Lee H. Radebaugh
West Publishing Company 50 W. Kellogg Blvd. St. Paul, MN 55164-0526 (612)228-2973	• International Business Transactions by Donald T. Wilson • International Business Transactions in a Nutshell by Folsom, Gordon, and Spanogle

John Wiley and Sons, Inc.
605 Third Avenue
New York, NY 10158-0012

- The Arthur Young International Business Guide by Charles Valentine
- Building an Import/Export Business by Kenneth D. Weiss
- The Do's and Taboos of International Trade: A Small Business Primer by Roger E. Axtell
- Export-Import Financing by Venedikian and Warfield
- Foreign Exchange Handbook: A Users Guide by Walmsley
- The Fundamentals of Trade Finance by Kingman-Brundage and Schulz
- Handbook of International Business by Ingo Walter
- Japan: Business Obstacles and Opportunities
- Profitable Exporting: A Complete Guide to Marketing Your Products Abroad by John S. Gordon and Jack S. Arnold

Associations

American Vocational Association
1410 King Street
Alexandria, VA 22314

- catalog of resources for vocational educators

The Asia Society
Education and Communications
725 Park Avenue
New York, NY 10021
(212)288-6400

- materials on global/international education

Association for Asian Studies, Inc.
1 Lane Hall
University of Michigan
Ann Arbor, MI 48109
(313)665-2490

- catalog of publications

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American Association of Community and Junior Colleges National Center for Higher Education One Dupont Circle NW Washington, DC 20036 (202)293-7050	• International Trade Education: Issues and Programs (Issues Series 2) • International Update • The Small Business Management Training Tools Directory
American Association of Exporters and Importers 11 West 42 Street New York, NY 10036 (212)944-2230	• seeks fair and equitable conditions for world trade; gathers and disseminates data on world trade; maintains library of research and government data on world trade
American Bankers Association 1120 Connecticut Avenue NW Washington, DC 20036	• International Banking by Peter K. Oppenheim
American Marketing Association 250 S. Wacker Drive, Suite 200 Chicago, IL 60606 (312)648-0536	• International Marketing: An Annotated Bibliography
American Society of International Executives, Inc. 230 South 15th Street, 5th Floor Philadelphia, PA 19102	• certifies documentation specialists, international executives, and experienced international executives • publications, monthly bulletins
Committee on Teaching About Asia c/o Urban Education Program Associated Colleges of the Midwest 420 West Wrightwood Chicago, IL 60614	• reviews curriculum and educational resource materials; quarterly newsletter
Council of State Planning Agencies 400 North Capitol, Room 291 Washington, DC 20001	• The Wealth of States: The Political Economy of State Development
Council on International Educational Exchange 205 East 42nd Street New York, NY 10017 (212)661-1414	• Hallmarks of Successful International Business Programs

Teacher Supplement 4

FCIB-NACM Corporation 520-8th Avenue New York, NY 10018 (212)947-5070	• international arm of National Association of Credit Managers; provides credit information to members, issues bulletins, credit interchange reports, and world-wide credit service and country information
Instrument Society of America 67 Alexander Drive PO Box 12277 Research Triangle Park, NC 27709	• Expanding Markets Internationally by William E. Drees
International Advertising Association 475 5th Avenue New York, NY 10017	• public relations and advertising referrals and assistance
Japan External Trade Organization (JETRO) McGraw-Hill Building, 44th Floor 1221 Avenue of the Americas New York, NY 10020-1060 (212)997-0400	• Access to Japan's Import Market • Doing Business in Japan • Handy Facts on U.S.-Japan Economic Relations • JETRO Marketing Series
Joint Council on Economic Education 2 Park Avenue New York, NY 10016 (212)685-5499	• catalog of publications
Marketing and Distributive Education Association 1908 Association Drive Reston, VA 22091 (703)476-4299	• Marketing Educator's News
National Association of Small Business International Trade Educators (NASBITE) One World Trade Center 121 SW Salmon Street, Suite 230 Portland, OR 97204 (503)274-7482	• promotes and enhances involvement and competitiveness of small businesses in U.S. in international trade

Teacher Supplement 4

National Association of State Development Agencies 444 N Capitol Street NW, Suite 611 Washington, DC 20001 (202)624-5411	• clearinghouse for all state agencies; state export programs database; sponsors international trade specialists program in conjunction with American Graduate School of International Management in Glendale, AZ
National Business Education Association 311 First Street NW Washington, DC 20001	• clearinghouse of publications on business education
National Community Development Association Community Development Trading Group Universal Forwarding Overseas 941 Perkins Street Appleton, WI 54914	• Window on the World: The Export Kit
National Council on Foreign Language and International Studies 45 John Street, Suite 1200 New York, NY 10038 (212)732-8606	• catalog of publications
National Council on International Trade Documentation 350 Broadway, Suite 1200 New York, NY 10013 (212)925-1400	• publications on specific documentation commonly used in international trade
National Council for the Social Studies 3501 Newark Street NW Washington, DC 20016 (202)966-7840	• catalog of publications
National Foreign Trade Council 900 17th Street NW Washington, DC 20006 (202)887-0278	• information on American companies doing business abroad; promotes American foreign trade and investment

Teacher Supplement 4

Social Science Education Consortium 855 Broadway Boulder, CO 80302	• Global Issues • catalog of publications
United Nations Association of U.S. Publications Department 485 Fifth Avenue New York, NY 10017-6104 (212)697-3232	• Teaching About the United Nations • catalog of publications
World Tourism Association Calle Capitan Haya 42 Madrid, Spain E 28020	• Economic Review of World Tourism • Role and Structure of National Tourism Administrations • World Tourism Statistics

Periodicals

ACCESS: The information on Global, International, and Foreign Language Education Newsletter	• The American Forum 45 John Street, Suite 1200 New York, NY 10038 (212)732-8606
American Import-Export Bulletin	• American Import-Export Bulletin 545 Madison Avenue New York, NY 10022 (212)371-4100
Asian Wall Street Journal	• Ebsco Subscription Service 3 Waters Park Drive, Suite 211 San Mateo, CA 94403
The Business Advocate	• U.S. Chamber of Commerce Publications Fulfillment 1615 H Street NW Washington, DC 20062
Business America: The Magazine of International Trade	• Superintendent of Documents U.S. Government Printing Office Washington, DC 20402 (202)783-3238
Business Week	• McGraw-Hill Publications, Inc. 1221 Avenue of the Americas New York, NY 10020

Teacher Supplement 4

CBI Newsletter	• U.S. Department of Commerce International Trade Administration U.S. and Foreign Commercial Service HCHB Room 2106 Washington, DC 20230
China Business Review	• China Books and Periodicals 2929 24th Street San Francisco, CA
Commercial News USA	• U.S. Department of Commerce International Trade Administration U.S. and Foreign Commercial Service HCHB Room 2106 Washington, DC 20230
The Economist	• The Economist Subscription Department P.O. Box 58524 Boulder, CO 80322-8524 (800)456-6086
East Asian Executive Reports	• International Executive Reports, Ltd. 717 D Street NW, Suite 300 Washington, DC 20004-2807 (202)628-6900
Entrepreneur Magazine	• American Entrepreneurs Association 2311 Pointius Avenue Los Angeles, CA 90064 (213)478-0437
Europe—Magazine of the European Community	• Europe 2100 M Street NW, Suite 707 Washington, DC 20037
Export Today	• SIRCO International 733 15th Street NW, 7th Floor Washington, DC 20005 (202)737-1060
Far Eastern Economic Review	• Ebsco Subscription Service 3 Waters Park Drive, Suite 211 San Mateo, CA 94403

Teacher Supplement 4

Focus Japan	• JETRO McGraw-Hill Building, 44th Floor 1221 Avenue of the Americas New York, NY 10020 (212)997-0400
Focus on Asian Studies Magazine	• The Asia Society 725 Park Avenue New York, NY 11021
Forbes	• Forbes, Inc. 60 Fifth Avenue New York, NY 10011
Fortune	• Times, Inc. 1271 Avenue of the Americas New York, NY 10020
Harvard Business Review	• Harvard University Graduate School of Business Administration Soldiers Field Road Boston, MA 02163
Inc. Magazine	• Inc. Magazine Box 2538 Boulder, CO 80322
Interchange: The Bi-Monthly Journal of International Trade	• Applied Management Systems International Systems PO Box 1504 South Pasadena, CA 91030 (818)441-1124
International Business Review	• U.S. Chamber of Commerce Publications Fulfillment 1615 H Street NW Washington, DC 20062
International Business Review Newsletter	• International Trade Center Florida Atlantic University PO Box 3091 Boca Raton, FL 33431-0991

Teacher Supplement 4

The International Entrepreneur Newsletter	• International Trade Council of Mid-America 1627 Anderson Avenue Manhattan, KS 66502 (913)532-6799
International Trade Forum	• International Trade Center Palais des Nations 1211 Geneva 10 Switzerland
International Trade Journal	• Laredo State University Institute of International Trade West End Washington Street Laredo, TX 78040
ITA Reports	• U.S. Department of Commerce International Trade Administration U.S. and Foreign Commercial Service HCHB Room 2106 Washington, DC 20230
Japan Times Weekly	• Japan Times, Ltd. 5-4, Shibaura 4-chome Minati-ku, Tokyo
Journal of Commerce Export Bulletin	• The Journal of Commerce 445 Marshall Street Phillipsburg, NJ 08865-2695 (201)859-1300
Journal of Marketing	• American Marketing Association 250 S. Walker Drive, Suite 200 Chicago, Il 60606 (312)648-0536
Journal of Small Business Management	• West Virginia University Bureau of Business Research Box 6025 Morgantown, WV (304)293-5837
Nation's Business	• U.S. Chamber of Commerce Publications Fulfillment 1615 H Street NW Washington, DC 20062

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Pacific Business News	• Crossroads Press Box 833 Honolulu, HI 96808
Small Business Report	• Business Research and Communications One Mission Plaza Monterey, CA 93940 (408)899-7221
The Social Studies	• Heldref Publications 4000 Albermarle Street NW Washington, DC 20016
Tomorrow's Business Leader	• Future Business Leaders of America Phi Beta Lambda, Inc. 1908 Association Drive Reston, VA 22091
Trade Opportunities Program	• The Journal of Commerce 445 Marshall Street Phillipsburg, NJ 08865-2695
UNIDO Newsletter	• United Nations Industrial Development Organization UNIDO New York Office One United Nations Plaza New York, NY 10017 (212)754-6882
U.S. Export Weekly: International Trade Reporter	• Bureau of National Affairs 1231 25th Street NW Washington, DC 20037 (202)452-4211
Venture: The Magazine for Entrepreneurs	• Venture Magazine 521 Fifth Avenue New York, NY 10175-0028 (212)682-7373
Wall Street Journal	• Dow Jones and Company Box 300 Princeton, NJ 08540

Teacher Supplement 4

World Development Magazine

- United Nations Development Programme
  One UN Plaza
  New York, NY 10017

Special books/pamphlets

Agency for International Development
Office of Small and Disadvantaged
Business Utilization
Washington, DC 20523
(202)235-1840

- development assistance, economic support, food aid, disaster assistance, consultant-registry information system

The American Forum
45 John Street, Suite 1200
New York, NY 10038
(212)732-8606

- materials on global/international education

Applied Management Systems
International Systems
PO Box 1504
South Pasadena, CA 91030
(818)441-1124

- U.S. Regional Trade Flows: Trade Analysis: Pacific Coast

Bureau of National Affairs
1231 25th Street NW
Washington, DC 20037

- Export Shipping Manual
- International Trade Reporter

Center for Teaching International Relations
University of Denver
Denver, CO 80208
(303)871-2426

- America in the World: A Guide to U.S. Foreign Policy
- Changing Images of China
- The Development Data Book: Social and Economic Statistics on 125 Countries
- Global Issues: Activities and Resources for the High School Teacher
- In Search of Mutual Understanding: A Classroom Approach to Japan
- Japan Meets the West: A Case Study of Perception
- Teaching About the Consumer and Global Marketplace
- Teaching About World Cultures: Focus on Developing Regions

Teacher Supplement 4

Chase World Information Corporation One World Trade Center, Suite 4533 New York, NY 10048	• Chase World Guide for Exporters • Export Credit Reports
CIGNA Companies PO Box 7728 Philadelphia, PA 19101 (215)241-4000	• Marine Insurance • Ports of the World: A Guide to Cargo Loss Control
Continental Bank U.S. Trade Finance Division 231 S. La Salle Street Chicago, IL 60693 (312)828-2345	• Commercial Letters of Credit • Guide to Export/Import Documentation • Guide to Foreign Exchange
Corroon and Black, Inc. 2911 Second Avenue Seattle, WA 98121 (206)443-2300	• A Brief Review of Ocean Cargo Insurance
Dun & Bradstreet International One Exchange Plaza, Suite 715 Jersey City, NJ 07302	• Export Documentation Handbook • Exporter's Encyclopedia
Export-Import Bank of U.S. 811 Vermont Avenue NW Washington, DC 20571 (800)424-5201	• EXIM Bank Information Kit • Export-Import Bank: Financing for American Exports—Support for American Jobs • Financing and Insuring Exports: A User's Guide to Eximbank and FCIA Programs • export loans, guarantees, insurance
Federal Express Corporation Box 727 Memphis, TN 38101-9976	• Moving Your Product: What Your Clients Need to Know
Federal Maritime Commission Washington, DC 20573	• regulations, licensing for ocean freight forwarder, career information
Five Star Productions PO Box 11451 Winslow, WA 98110	• Importing as a Small Business

Teacher Supplement 4

Fritz & Companies 1200 S 192nd Street Seattle, WA 98148 (206)431-5400	• Export Management Seminar
Global Perspectives in Education, Inc. 218 East 18th Street New York, NY 10003 (212)674-4167	• catalog of publications
International Chamber of Commerce 1212 Avenue of the Americas New York, NY 10036 (212)354-4480	• Uniform Rules for Collections
International Monetary Fund Publications Unit 700 19th Street NW Washington, DC 20431	• Annual Report on Exchange Arrangement and Exchange Restrictions • catalog of publications • Direction of Trade • Directory of Trade Statistics • International Financial Statistics
International Trade Institute 5055 N. Main Street Dayton, OH 45415 (800)453-2453	• Glossary of International Terms • Guide to Canadian Documentation • Guide to Export Documentation • A Guide to Export Marketing • Guide to International Air Freight Shipping • Guide to Selecting the Freight Forwarder • A Guide to Understanding Drafts • A Guide to Understanding Letters of Credit
International Trade Software, Inc. 1107 Bethelhem Pike, Suite 103 Flourtown, PA 19031 (215)233-1980	• software for export order entry, accounting control systems, sales analysis
Japan Information Center Consulate General of Japan 229 Park Avenue New York, NY 10171 (212)371-8222	• Twenty-Five Questions and Answers on Japan-U.S. Relations

Teacher Supplement 4

Journal of Commerce 445 Marshall Street Phillipsburg, NJ 08865 (201)859-1300	• Exporter's Directory: U.S. Buying Guide
Morgan Guarantee Trust Company of New York 23 Wall Street New York, NY 10015	• Financial Institutions and Markets in the Far East
National Center for Standards and Certification Information National Bureau of Standards Administration Building, A629 Gaithersburg, MD 20899 (301)975-4040	• foreign requirements for U.S. products and services
National Geographic Society 17th and M Streets NW Washington, DC 20036 (202)857-7000	• National Geographic Magazine • Teaching Geography: A Model for Action
National Technical Information Service U.S. Department of Commerce Springfield, VA 22161 (703)487-4650	• market-share reports
Organization for Economic Cooperation and Development (OECD) Publications and Information Center 1750 Pennsylvania Ave. NW, Suite 1207 Washington, DC 20006-4582 (202)724-4582	• catalog of publications
Overseas Private Investment Corporation (OPIC) 1615 M Street NW, Fourth Floor Washington, DC 20527 (202)457-7010	• political-risk insurance, financing, information, networking, export assistance • TOPICS Newsletter
Price Waterhouse 1251 Avenue of the Americas New York, NY 10020 (212)489-8900	• Expanding into Exports: A Guide for Executives of Growing and Middle-Market Companies • Doing Business in...(various foreign countries)

Teacher Supplement 4

SIRCO International
PO Box 28189
Washington, DC 20038-8189
(202)737-1060

- A Practical Guide for Marketing to the Pacific Rim

Small Business Foundation of America
20 Park Plaza
Boston, MA 02116
(617)350-5096

- Enterprise USA Newsletter
- Planning for Technology: A Guide for the Small Business Trade Owner/Manager

Superintendent of Documents
U.S. Government Printing Office
Washington, DC 20402

- Background Notes (4 to 12 pg. summaries on economy, history, culture, and government of 160 countries)
- Commerce Business Daily
- Customs Regulations of the U.S.
- Doing Business with China
- Export Administration Regulations
- Foreign Business Practices... Material on Practical Aspects of Exporting
- Foreign Economic Trends
- Highlights of U.S. Import and Export Trade
- How to Build an Export Business: An International Marketing Guide for Minority-Owned Businesses
- International Economic Indicators
- Introduction to Contract Procedures in the Near East and North Africa
- Metric Laws and Practices in International Trade—Handbook for U.S. Exporters
- Official U.S. and International Financing Institutions: A Guide for Exporters and Investors
- Overseas Business Reports
- Small Business Management and Ownership

United Nations and Information Center
1889 F Street NW
Washington, DC 20006

- catalog of publications

Teacher Supplement 4

Unz and Company 190 Baldwin Avenue Jersey City, NJ 07303	• International Trade Operations... A Managerial Approach by R. Duane Hall
U.S. Chamber of Commerce 1615 H Street NW Washington, DC 20062	• Directory of American Chambers of Commerce Abroad • Directory of Local Chambers of Commerce with International Trade Activities • Foreign Commerce Handbook • Importer's Guidelines • The U.S. and Foreign Commercial Service: A Business Analysis
National Trade Data Bank U.S. Department of Commerce Office of Business Analysis HCHB Room 4885 Washington, D.C. 20230 (202)377-1986	• selects the best international trade and economic information available and provides it in a convenient electronic format that is updated monthly; access to this service is free at any of the more than 700 Federal Depository Libraries (those located in most larger towns and cities), or by subscription for $360 per year, or $35 per month
U.S. Customs Service U.S. Department of Treasury 1301 Constitution Avenue NW Washington, DC 20229	• import/export regulations and foreign trade-zone information
U.S. Department of Agriculture Foreign Agriculture Service Export Programs Division South Building, Room 5940 Washington, DC 20250 (202)447-3031	• training programs, information, product markets, export financing, overseas travel, product promotion
U.S. Department of Commerce Export Promotion Services PO Box 14207 Washington, DC 20044 (202)377-2432	• Agent Distributor Service • Annual Worldwide Industry Reviews • Country Market Surveys • Country Trade Statistics • Custom Statistical Service • Export Counseling • Export Mailing List Service • Export Statistical Profiles • International Market Information • Trade Opportunities Program Bulletin • Trade Lists

Teacher Supplement 4

	• World Traders Data Reports • export counseling, overseas sales leads, trade missions, trade shows, locating overseas agents, export trading companies
U.S. Department of Commerce Foreign Agriculture Service, Room 5918 Washington, DC 20250 (202)477-7937	• FAS Commodity Reports
U.S. Department of Commerce International Trade Administration ITA Publications Distribution, Rm 1617D Washington, DC 20230	• A Guide to Financing Exports • Export for a Stronger America • Foreign Economic Trends • Guide Book for Exporting to Japan • How to Build an Export Business • How to Get the Most from Overseas Exhibitions • Official U.S. and International Financing Institutions: A Guide for Exporters and Investors • Sources of Information on U.S. Firms: A Guide for International Traders • Summary of U.S. Export Regulations
U.S. Department of Education Business and International Education Programs Center for International Education Room 3053, ROB-3 7th & D Street SW Washington, DC 20202 (202)732-3302	• promotes activities that contribute to the prospering of an international economy
U.S. Department of State Bureau of Economic and Business Affairs 2201 C Street NW, Room 6822 Washington, DC 20520 (202)647-1682	• assists exporters overseas; assists federal agencies in setting up trade missions, fairs, and investment missions; assists in trade disputes
U.S. Small Business Administration 1441 L Street NW, Room 501 A Washington, DC 20416 (202)653-7794	• Business development pamphlets/booklets • Exporters Guide to Federal Resources for Small Business • Fact Sheet: International Trade Assistance • Going into Business • Is Exporting for You?

Teacher Supplement 4

- Market Overseas with U.S. Government Help
- Planning and Goal Setting for Small Business
- Starting and Managing a Business of Your Own
- training programs, information, financing, export assistance

World Bank Publications
PO Box 37525
Washington, DC 20013
(202)473-2946

- Making the Most of Business Opportunities from World Bank Projects
- The World Bank of Educational Materials

Audiovisual media

Videos on economics, international trade, international education, entrepreneurship, and business ownership and management

Agency for Instructional Television
Box A
Bloomington, IN 47402
(800)457-4509

Changing Times Education Service
EMC Publishing
300 York Avenue
St. Paul, MN 55101

Close Up Foundation
Educational Media
Department C 383
1235 Jefferson Davis Highway
Arlington, VA 22202
(800)336-5479

Current Affairs Films
346 Ethan Allen Highway
Ridgefield, CT 06871
(203)431-0421

Direct Cinema, Ltd.
PO Box 69589
Los Angeles, CA 90069
(213)656-4700

Educational Audio Visual, Inc.
Pleasantville, NY 10570
(914)769-6332

Federal Reserve Bank of New York
Public Information Department
33 Liberty Street
New York, NY 10045
(212)791-6137

Inc. Videos
38 Commercial Wharf
Dept. 2V
Boston, MA 02110

International Film Foundation
155 West 72nd Street
New York, NY 10023
(212)580-1111

Japan Trade Center Films
1221 Avenue of the Americas
New York, NY 10171
(212)997-0414

Teacher Supplement 4

Modern Talking Picture Service
5000 Park Street North
St. Petersburg, FL 33709
(813)541-7571

PBS Video
1320 Braddock Place
Alexandria, VA 22314-1698

Ramic Productions
3505 Cadillac Avenue
Costa Mesa, CA 92626-1435

Strategic Simulations, Inc.
465 Fairchild, Suite 108
Mountain View, CA 94043

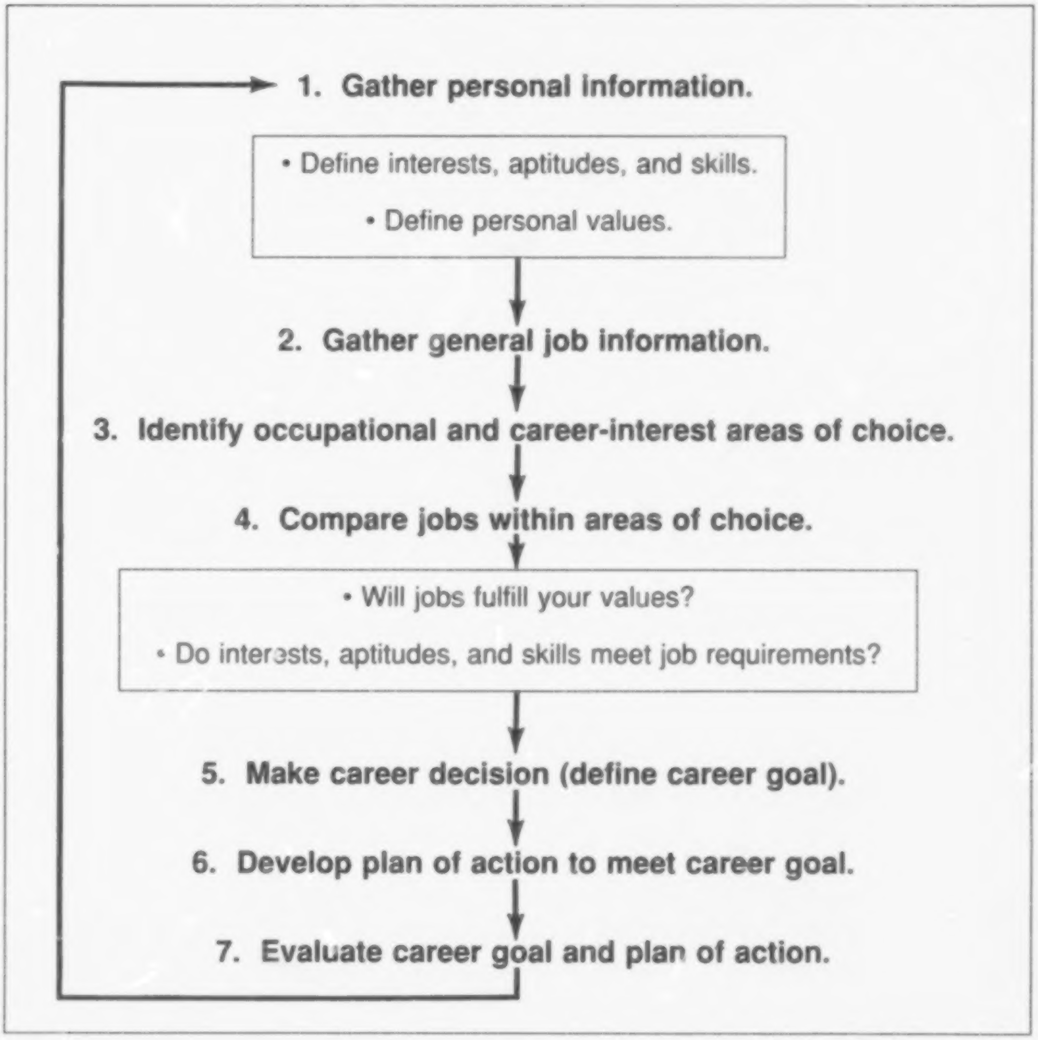
Walt Disney Educational Media Company
500 Buena Vista Street
Burbank, CA 91521

Waukesha County Technical College
International Trade Video Catalog
800 Main Street
Pewaukee, WI 53072
(414)691-5550

World Research Inc. Films
1722 Sorrento Valley Road
San Diego, CA 92121
(619)566-3456

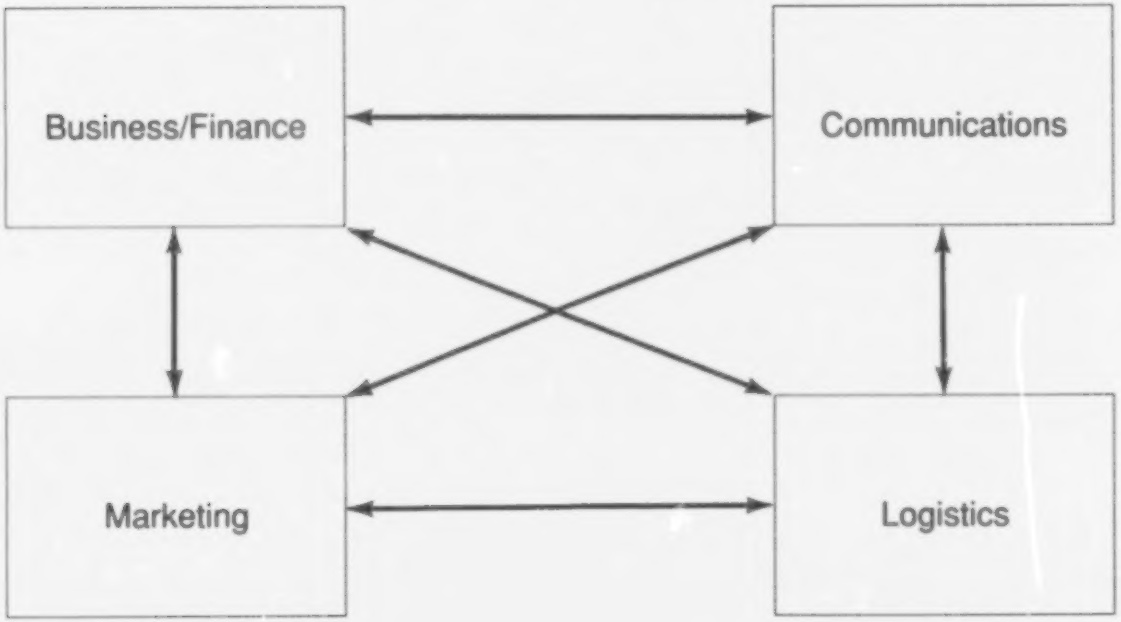
Resource listing adapted with permission of the Oregon Department of Education, Salem, Oregon.

Steps in Career Decision Making



1. **Gather personal information.**
    - Define interests, aptitudes, and skills.
    - Define personal values.
2. **Gather general job information.**
3. **Identify occupational and career-interest areas of choice.**
4. **Compare jobs within areas of choice.**
    - Will jobs fulfill your values?
    - Do interests, aptitudes, and skills meet job requirements?
5. **Make career decision (define career goal).**
6. **Develop plan of action to meet career goal.**
7. **Evaluate career goal and plan of action.**

Interrelationship of the Occupational Areas in International Trade


Business/Finance
Communications
Marketing
Logistics

International Trade Regions
Unit 2

Suggested Activities

Instructional plan

Preparation

- Review unit and plan presentation. Study the specific objectives to determine the order in which you will present the objectives.

  Review the unit introduction and teaching suggestions included in the delivery and application section below and plan classroom activities. Also note suggestions for supplemental materials.

  Plan presentation to take advantage of student learning styles and to accommodate special-needs students.

- Review the maps presented in Transparency Masters 1 through 9 and in Assignment Sheet 1. Determine whether or not these maps need to be updated.

- Review the resource listing presented in Teacher Supplement 4 of Unit 1. Review the profiling assignments (Assignment Sheets 3 through 5) in this unit and determine the resources students will need in completing these assignments.

- Contact businesses in the immediate area to obtain cooperation for students in completing the profile exercise in Assignment Sheet 3, "Profile a Local Business That Participates in International Trade." In order to complete this assignment, each student should be assigned to a different business/contact person so that all students do not show up at the same business unannounced and so that the contact person may prepare in advance the information asked for on the survey form associated with the assignment.

- Review Assignment Sheet 5, "Profile a Major International Trade Region." In this assignment, students should be divided into groups. Each group should be assigned one trade region and each student in the group one country in the trade region.

  Students will first compile information concerning their assigned country, and then they will work with the other members of their trade-region group to prepare a class presentation on the trade region.

Suggested Activities

Each of the remaining units in this publication will have one or more assignment sheets that will ask students to form groups to complete another activity concerning a trade region. You may want to maintain the same groups for the trade-region assignments in this and the following units.

- Review Teacher Supplement 3 in Unit 1. Determine the format you prefer to have students use in completing the portfolio assignment (Assignment Sheet 6) required in this and each unit of instruction in this publication. Also collect student resources required for this unit-by-unit project.
- Obtain films, videotapes, and other media to supplement instruction of this unit.
- Make transparencies from the transparency masters included in the teacher pages of this unit.
- Select teacher components (teacher supplements, written test, unit evaluation form) you want to distribute to your students. Copy and prepare these components for distribution.
- Prepare classroom. Put up posters and charts and display articles and other references related to the objectives of this unit.

Delivery and application

Unit introduction

- Have students locate the objective sheet. Discuss unit and specific objectives.

Teaching suggestions

The skill areas appearing in bold-face type in the teaching suggestions refer to the academic and workplace skills identified by the American Society of Training and Development (ASTD) and the U.S. Department of Labor. These have been adapted by MAVCC.

Objective 1 Match to their correct definitions terms associated with international trade regions.

- Read and discuss with students the terms and definitions presented in this section of the information sheet.

Suggested Activities

Discuss as a group and compare the definitions of the terms *geography, climate, latitude, longitude, natural resources, time zone,* and *transportation system.*

Discuss as a group and compare the definitions of the terms *culture, customs, life-style, tariff,* and *unit of measure.*

Explain that the first group of *geographical* terms will be further discussed in Part a of Objective 4, and the second group of *cultural* terms will be discussed in Part b of that objective. **(Reading/listening for content; applying technical terms)**

Objective 2 Define the term *international trade.* **Objective 3** Discuss the importance of international trade to individual consumers and their nations.

- Read with students the definition of *international trade,* which is presented in Objective 2 of the information sheet, and then, review the definitions of the terms *goods* and *services.*

  Goods are tangible items such as consumer products, industrial goods, agricultural commodities, food products, and software.

  Services are intangibles such as accounting/financial services, data-computer services, management consulting, and educational services. **(Reading/listening for content; applying technical terms)**

- Read with students each factor in Objective 3 and discuss the examples presented in the objective. **(Reading/listening for content)**

- Hand out copies of Teacher Supplement 1, "History of International Trade," and Teacher Supplement 2, "Why Is International Trade Important?" Read these supplements with the students and discuss the development of international trade and its relevance in today's world. **(Reading/listening for content; communicating a thought in spoken form in a clear, concise manner)**

- Hand out copies of Teacher Supplement 3, "Identify Countries-of-Origin for Consumer Products." Read with students the introduction and directions to the supplement.

Suggested Activities

Have students fill out the record form and bring the completed form back to class. **(Reading/listening for content; reading/listening for direction)**

Conduct a class discussion in which you compile the information from the individual forms. Help the class determine just how much their daily consumer choices are affected by international trade. Also, help them to determine patterns for production they may find. For example, can you determine from the record forms where most clothing items are produced? **(Communicating a thought in spoken form in a clear, concise manner; communicating a thought in written form in a clear, concise manner; summarizing written information)**

Objective 4 Discuss the factors affecting the formation of international trade regions, organizations, and agreements.
Objective 5 Identify the major international trade regions.
Objective 6 Define the major international trade organizations.
Objective 7 State the purpose of international trade agreements.
Objective 8 Distinguish among the definitions of the terms *legal*, *moral*, and *ethical*.

- Read with students and discuss the information presented in Objectives 4 through 8 of the information sheet. Use Transparency 1, "Major International Trade Regions," to help illustrate your discussion of the information presented in these information-sheet objectives. **(Reading/listening for content)**

  On Transparency 1, color code the various trade regions. For example, color the North America Trade Region green, the European Trade Region yellow, etc.

- Have students locate Student Supplement 1, "Impact of Geography on International Trade." Read with students and discuss the information presented in the supplement.

  Have students note the geographical terms in bold in the supplement: *climate, latitude* and *longitude, distances, natural resources, time zones, transportation routes*, and *topography*. **(Reading/listening for content; applying technical terms)**

Suggested Activities

- Have students locate Assignment Sheet 1, "Explore the Impact of Geography on the Major International Trade Regions." Read with students the introduction and directions to the exercise.

  Have students complete Parts A through H of the assignment. Use Transparencies 2 through 9 to help you review with students the correct answers to these sections of the assignment. While reviewing these answers, help students form the concept of how geographical location has affected the creation of the major trade regions, organizations, and agreements. **(Reading/listening for directions; developing ability to apply knowledge to other situations; knowing how to learn)**

- Discuss with students Part I of the assignment. Assist students in determining distances between various points on the trade-route map included in the assignment sheet. **(Listening for content; reading/listening for directions)**

  Have students complete Part I of the assignment.

- Discuss with students Part J of the assignment. Assist students in computing time-zone differences. Provide students with several examples of these computations. **(Listening for content; reading/listening for directions)**

  Have students complete Part J of the assignment.

  Help students to form the concept of how trade zones and time zones have affected the creation of the major trade regions, organizations, and agreements. **(Developing ability to apply knowledge to other situations; knowing how to learn)**

- Have students locate Student Supplement 2, "Impact of Culture on International Trade." Read with students and discuss the information presented in the supplement. **(Reading/listening for content)**

  Have students note the cultural terms in bold in the supplement: *history, life-style, units of measure, legal, ethical, morals, language, customs,* etc. **(Reading/listening for content; applying technical terms)**

Suggested Activities

- Have students locate Assignment Sheet 2, "Explore the Impact of Certain Cultural Aspects on International Trade." Read with students and discuss the introduction to the assignment. **(Reading/listening for content)**

  Have students read the directions to Part A of the assignment. Review with students the computations required in making unit-of-measure conversions. Provide students with several examples of how these conversions are made. Have students complete Part A of the assignment. **(Reading/listening for content; reading/listening for direction)**

  Lead students to realize how our use of the U.S. system of measure has affected our ability to trade with other nations of the world. **(Recognizing and defining problems; developing ability to apply knowledge to other situations; knowing how to learn)**

- Discuss with students Part B of the assignment. Part B contains five scenarios in which a U.S. businessperson might find him- or herself. Students are to determine whether they think the businessperson is facing a legal, moral, or ethical question, and then, they are to state some reason why they have classified the question as such. **(Reading/listening for content; reading/listening for direction)**

  Have students complete Part B of the assignment, and then, conduct a discussion in which you lead students to determine that in these scenarios students will not always be able to make clear-cut classifications; the scenarios may fall into more than one category. **(Recognizing and defining problems)**

  Help students to form the concept of how cultural similarities (such as unit of measure and cultural definitions of legality) have affected the creation of the major trade regions, organizations, and agreements. **(Developing ability to apply knowledge to other situations; knowing how to learn)**

Objective 9 Discuss the purpose of a trade-region profile.

- Read with students and discuss the information presented in the information sheet. Emphasize to students that profiling is the basic tool used by businesses before they will consider participating in international trade. **(Reading/listening for content)**

- Discuss with students that in Assignment Sheets 3 through 5 they will be learning to profile. First, they will profile a business in their immediate area, then their state, and then a major international trade region. **(Reading/listening for content; reading/listening for direction)**

- List the resources students should use in compiling information for these profiles: almanacs, encyclopedias, information from state and federal offices and bureaus, etc. Show students examples of these resources, explain how to obtain more of these resources, and explain how to use these resources. **(Knowing how to learn)**

- Have students locate Assignment Sheet 3, "Profile a Local Business That Participates in International Trade." Read the introduction and directions to the assignment. **(Reading/listening for direction)**

  Assign each student a firm that participates in international trade and a contact person to interview from that firm. The student should interview the contact person, using the questionnaire in the assignment sheet.

  You may want to have students perform a mock interview in class before going out to interview the contact person. Practicing interviewing skills in class may help hesitant students gain confidence with such a procedure. **(Developing self-confidence and creating a positive self-image)**

- Have students locate Assignment Sheet 4, "Profile Your State." Read with students and discuss the introduction to the assignment and directions to the exercise. Read with students the survey questions and discuss possible resources students may use in completing the questions.

  Answer any student questions and have students complete Assignment Sheet 4. **(Reading/listening for content; reading/listening for direction; knowing how to learn)**

Suggested Activities

- Have students locate Assignment Sheet 5, "Profile a Major International Trade Region." Read with students and discuss the introduction to the assignment and the directions to each part of the exercise. **(Reading/listening for direction; knowing how to learn)**

  Assign groups for each international trade region and assign a country to each person in the trade-region group. Discuss with students guidelines for completing the group exercise in Part B of the assignment.

  Answer any student questions and have students complete Assignment Sheet 5. **(Reading/listening for direction)**

- Have students locate Assignment Sheet 6, "Analyze Current Events Within the Major International Trade Regions." Explain to students that this assignment is a portfolio assignment that will follow the guidelines you established for the portfolio in Unit 1.

  Read with students the introduction and directions to the assignment, answer student questions, and have students complete Assignment Sheet 6. **(Reading/listening for direction)**

Evaluation

- Evaluate assignment sheets. See the evaluation criteria listed at the top of each assignment sheet as well as the teacher page "Answers to Assignment Sheets."
- Give written test. See the teacher page "Written Test."
- Evaluate written test. See the teacher page "Answers to Written Test."
- Compile written-test and assignment-sheet scores. See the teacher page "Unit Evaluation Form."
- Reteach and retest as required.

Suggested resources

Resources used in developing this unit

Print media

- Axtell, Roger E. *The Do's and Taboos of International Trade*. New York: John Wiley & Sons, 1989.

Suggested Activities

- Bennett, Peter D. *Marketing.* New York: McGraw-Hill Book Company, 1988.
- Boyce, Ronald R. *The Bases of Economic Geography.* New York: Holt, Rinehart and Winston, 1978.
- Daniels, John D., and Lee H. Radebaugh. *International Business Environments and Operations.* Reading, MA: Addison-Wesley Publishing Company, 1989.
- *Exploring Your World—The Adventure of Geography.* Washington, D.C.: The National Geographic Society, 1989.
- Gordon, Sanford D., and Alan D. Stafford. *Basic Economic Principles.* Mission Hills, CA: Glencoe Publishing Company, 1989.
- Harvard Business Review. *Selling in Foreign Markets.* Boston, MA: Harvard College, 1981.
- Hoffer, Alan R., Steven J. Leinwand, Gary L. Musser, Martin L. Johnson, Richard D. Lodholz, and Tina Thoburn. *Mathematics in Action.* New York: Macmillan/McGraw-Hill School Publishing Company, 1992.
- Johnson, Sue. *International Trade Economics LAP 4.* Columbus, OH: Marketing Education Resource Center, a Division of IDECC, Inc., 1987.
- Kruzel, Sandra L., and Frank Reynolds. *Import/Export Procedures.* Cincinnati, OH: South-Western Publishing Company, 1992.
- *North American Free Trade Agreement.* Washington, D.C.: Foreign Agricultural Service, USDA, 1992.
- *Reader's Digest Illustrated Encyclopedic Dictionary.* Pleasantville, NY: The Reader's Digest Association, Inc., 1987.
- Stanford Program on International and Cross-Cultural Education (The European Project). *Mapping Europe.* Stanford, CA: Leland Stanford Junior University Board of Trustees, 1992.

Suggested Activities

- Stanford, Quentin H., and Warren Moran. *Geography—A Study of Its Elements.* Toronto, Canada: Oxford University Press, 1969.
- Wallace, Jesse D. *The Metric Pal: Going Metric—Programmed Assigned Learning.* Chico, CA: Jesse D. Wallace, 1976.
- *Webster's New World Dictionary of the American Language.* Cleveland, OH: The World Publishing Company, 1966.
- *The World Factbook.* Minneapolis, MN: Quanta Press, Incorporated, 1992.

International Trade Regions
Unit 2

Answers to Assignment Sheets

Assignment Sheet 1 Student performance should be evaluated according to the criteria listed on the assignment sheet. Content of each item in the exercise may be evaluated using the following answers as guides.

Part A

1. a. Iceland
   b. Ireland
   c. United Kingdom
   d. Belgium
   e. Luxembourg
   f. France
   g. Portugal
   h. Spain
   i. Italy
   j. Switzerland
   k. Slovenia
   l. Liechtenstein
   m. Austria
   n. Croatia
   o. Bosnia-Herzegovina
   p. Montenegro
   q. Albania
   r. Greece
   s. Macedonia
   t. Serbia
   u. Bulgaria
   v. Moldova
   w. Romania
   x. Hungary
   y. Slovakia
   z. Czech Republic
   aa. Germany
   bb. the Netherlands
   cc. Denmark
   dd. Norway
   ee. Sweden
   ff. Finland
   gg. Estonia
   hh. Latvia
   ii. Lithuania
   jj. Poland
   kk. Byelarus
   ll. Ukraine
   mm. Russia

2. Evaluator's note: The following countries should be listed on page 189 and shaded on the map on page 191.

   a. Belgium
   b. Denmark
   c. France
   d. Germany
   e. Greece
   f. The Republic of Ireland
   g. Italy
   h. Luxembourg
   i. the Netherlands
   j. Portugal
   k. Spain
   l. United Kingdom

Part B

1. a. United States of America
   b. Canada
   c. Mexico

2. a. Atlantic Ocean
   b. Arctic Ocean
   c. Pacific Ocean

3. North American Free Trade Agreement (NAFTA)

Part C

1. a. Belize
   b. Guatemala
   c. El Salvador
   d. Honduras
   e. Nicaragua
   f. Costa Rica
   g. Panama

2. Evaluator's note: The following countries should be listed on page 194 and shaded on the map on page 195.

   a. Costa Rica
   b. El Salvador
   c. Guatemala
   d. Honduras
   e. Nicaragua

Part D

1. a. Colombia
   b. Ecuador
   c. Peru
   d. Bolivia
   e. Chile
   f. Argentina
   g. Uruguay
   h. Paraguay
   i. Brazil
   j. French Guiana
   k. Suriname
   l. Guyana
   m. Venezuela

2. Evaluator's note: The following countries should be listed on page 197 and all except Mexico should be shaded on the map on page 199.

   a. Argentina
   b. Bolivia
   c. Brazil
   d. Chile
   e. Colombia
   f. Ecuador
   g. Mexico
   h. Paraguay
   i. Peru
   j. Uruguay
   k. Venezuela

3. Mexico (North America Trade Region)

4. Evaluator's note: The following countries should be listed on page 197 and starred on the map on page 199.

    a. Bolivia
    b. Colombia
    c. Ecuador
    d. Peru
    e. Venezuela

Part E

1. a. Bahamas
    b. Haiti
    c. Dominican Republic
    d. Jamaica
    e. Puerto Rico
    f. St. Christopher and Nevis
    g. Montserrat
    h. Dominica
    i. St. Lucia
    j. St. Vincent
    k. Trinidad and Tobago
    l. Grenada
    m. Barbados
    n Antigua and Barbuda

2. Evaluator's note: The following countries should be listed on page 201 and all except Belize and Guyana should be shaded on the map on page 203.

    a. Antigua and Barbuda
    b. Bahamas
    c. Barbados
    d. Belize
    e. Dominica
    f. Grenada
    g. Guyana
    h. Jamaica
    i. Montserrat
    j. St. Christopher and Nevis
    k. St. Lucia
    l. St. Vincent
    m. Trinidad and Tobago

Part F

1. a. Morocco
    b. Algeria
    c. Tunisia
    d. Libya
    e. Egypt

2. Mediterranean Sea

3. Desert

4. Along the seacoast of the Mediterranean

Answers to Assignment Sheets

Part G

1. a. The People's Republic of China
   b. Thailand
   c. Malaysia
   d. Indonesia
   e. Australia
   f. New Zealand
   g. New Guinea
   h. Brunei
   i. The Philippines
   j. Hong Kong
   k. Taiwan
   l. South Korea
   m. Japan
   n. Singapore

2. Evaluator's note: The following countries should be listed on page 207 and shaded on the map on page 209.
   a. Brunei
   b. Indonesia
   c. Malaysia
   d. The Philippines
   e. Singapore
   f. Thailand

Part H

1. a. Turkey
   b. Armenia
   c. Syria
   d. Lebanon
   e. Israel
   f. Jordan
   g. Iraq
   h. Saudi Arabia
   i. Yemen
   j. United Arab Emirates
   k. Oman
   l. Kuwait
   m. Iran
   n. Pakistan
   o. Afghanistan

2. a. Arabian Sea
   b. Mediterranean Sea
   c. Persian Gulf
   d. Red Sea
   e. Caspian Sea
   f. Black Sea

3. The Suez Canal

Part I

1.	a.	Abadan-Aden	1910 nautical miles
		Aden-Suez	1306 nautical miles
		Suez-Gibraltar	1915 nautical miles
		Gibraltar-New Orleans	4550 nautical miles
		Total	9681 nautical miles

b. Persian Gulf, Indian Ocean, Red Sea, Mediterranean Sea, Atlantic Ocean

2. 3300 nautical miles

3. a. Yokohama
   b. 4380 nautical miles

4. a. New York
   b. New Orleans
   c. Los Angeles
   d. San Francisco
   e. Seattle

5. a. Provideniya
   b. Arkhangel'sk
   c. Murmansk

6. a. 10,958 nautical miles
   b. Indian Ocean; Atlantic Ocean

7. a. 6490 nautical miles
   b. Pacific Ocean

8. a. Strait of Magellan
   b. 1275 nautical miles

Part J

Evaluator's note: In reality, some time-zone variance may occur due to daylight-savings time.

1. a. 12:00 noon
   b. 2:00 P.M.
   c. 9:00 P.M.
   d. 5:00 P.M.

2. a. 3:00 P.M.
   b. 4:00 A.M.
   c. 10:00 A.M.

3. a. 8:00 A.M.
   b. 10:00 P.M.
   c. 2:00 P.M.

Answers to Assignment Sheets

Assignment Sheet 2

Student performance should be evaluated according to the criteria listed on the assignment sheet. Content of each item in the exercise may be evaluated using the following answers as guides.

Part A

1. 19,078,800 liters
2. 192,500 short tons
3. 1,192.5 gallons
4. 46,200 short tons
5. 302,500 pints
6. 44,000 U.S. tons
7. 1,414.14 hectares
8. 7 days

Part B

Evaluator's note: Answers for scenarios 1 through 5 will vary. Discussion following completion of this part of the assignment should lead students to see that most issues involve all three aspects—legal, moral, and ethical.

Assignment Sheets 3 through 5

Student performance should be evaluated according to the criteria listed on the assignment sheet.

Assignment Sheet 6

Student performance should be evaluated according to the criteria listed on the assignment sheet.

Evaluator's note: See Unit 1, Teacher Supplement 3, for evaluation suggestions for the portfolio project.

International Trade Regions
Unit 2

Answers to Written Test

1.

a.	9	h.	6
b.	5	i.	8
c.	2	j.	11
d.	3	k.	7
e.	13	l.	14
f.	4	m.	10
g.	1	n.	12

2. Exchange of goods or services across international boundaries

3. Discussion should include the following.

    a. International trade provides a wider selection of goods/services to consumers.
    b. International trade provides consumers with some products that can be imported and yet sold more cheaply than they can be produced domestically.
    c. International trade creates and maintains additional domestic jobs.
    d. International trade allows nations to import raw materials or other goods/services not available domestically.
    e. International trade allows a nation to sell products abroad for a profit, thus bringing new wealth into a nation's economy.

4. Discussion should include the following.

    a. Similarities in geographical factors such as global location, climate, topography, natural resources, time zones, and relative distances to trade centers and points of import/export activity have been some of the causes for countries forming groupings that developed into trade regions, organizations, and agreements.
    b. Similarities in culture such as language, history, politics, government, religion, customs, life-style, and common units of measure have been the causes for countries forming groupings that developed into trade regions, organizations, and agreements.

5. a. Pacific Rim
    b. Middle East
    c. Caribbean Basin
    d. South America
    e. Central America
    f. North America
    g. European
    h. North Africa

Answers to Written Test

6. a. European Community; an association of 12 European nations formed to eliminate trade barriers among the member nations and bind their common economy with a unified currency and world-trade policy
   b. European Free Trade Association; an association of six European nations that have established liberalized trade agreements with the EC
   c. Central American Common Market; a group of five Central American nations organized to encourage trade among its members by eliminating or reducing tariffs for member nations
   d. Caribbean Economic Community; an association of 13 English-speaking Caribbean Basin nations that seeks to eliminate trade barriers among its members
   e. Latin American Integration Association; a common market that charges low or no duties on goods/services traded between ten South American member nations and Mexico
   f. A trade organization made up of five South American LAIA members to further enhance trade among themselves
   g. Association of Southeast Asian Nations; a group of six Asian nations within the Pacific Rim cooperating to reduce tariffs among member nations

7. International trade agreements facilitate trade between governments of friendly nations.

8. a. E
   b. L
   c. M

9. Discussion should include the following.

   Before a business launches an effort in international trade, many questions must be answered to determine the overall probability of success. To answer these questions, firms hire researchers to profile a region or nations in which they wish to do business. A profile represents an overall assessment of who lives in the region, how much they have to spend, what their needs may be, what products are already being sold there, and what cultural practices are involved in the nation that could affect future business dealings there.

International Trade Regions
Unit 2

Written Test

Name ______________________________ Score ______________

1. Match to their correct definitions terms associated with international trade regions. Write the numbers on the blanks. Definitions continue on the next page.

______a. Tax usually levied on imports

______b. Distances measured in degrees north or south of the equator

______c. Specific normal activities of a society based on attitudes, values, and beliefs

______d. Body of usages, practices, or conventions that regulate social life

______e. Determinate quantity adopted as a standard

______f. Study of the earth and its surface features and natural resources, and how they influence human distribution and activity

______g. Average weather conditions of a place determined by temperature and meteorological changes over the years

______h. Typical way of life of an individual or culture

______i. Raw materials supplied to a particular nation by nature

______j. Detailed description of a place including hills, valleys, rivers, lakes, canals, roads, etc.

______k. Angular distances measured east or west of the prime meridian at Greenwich, England

1. Climate
2. Culture
3. Customs
4. Geography
5. Latitude
6. Life-style
7. Longitude
8. Natural resources
9. Tariff
10. Time zone
11. Topography
12. Transportation system
13. Unit of measure
14. Domestic

Written Test

______l. Pertaining to items produced and consumed in a particular country

______m. Geographical region within which the same standard time is used

______n. Network of highways, canals, air routes, railroads, etc.

2. Define the term *international trade.* Write your answer on the blanks provided beside the term below.

International trade ____

____

____

3. Discuss the importance of international trade to individual consumers and their nations. Write your answers on the blanks provided beside each of the terms below.

a. Improved standard of living ______________________________

____

____

b. Lower prices ____

____

____

c. Creation of jobs ____

____

____

d. Access to scarce resources ________________________________

____

____

e. Expanded national economy ______________________________

____

____

4. Discuss the factors affecting the formation of international trade regions, organizations, and agreements. Write your answers on the blanks provided beside each of the terms below.

a. Geographical factors ______________________________

____

____

____

____

____

____

____

____

b. Cultural factors ______________________________

____

____

____

____

____

____

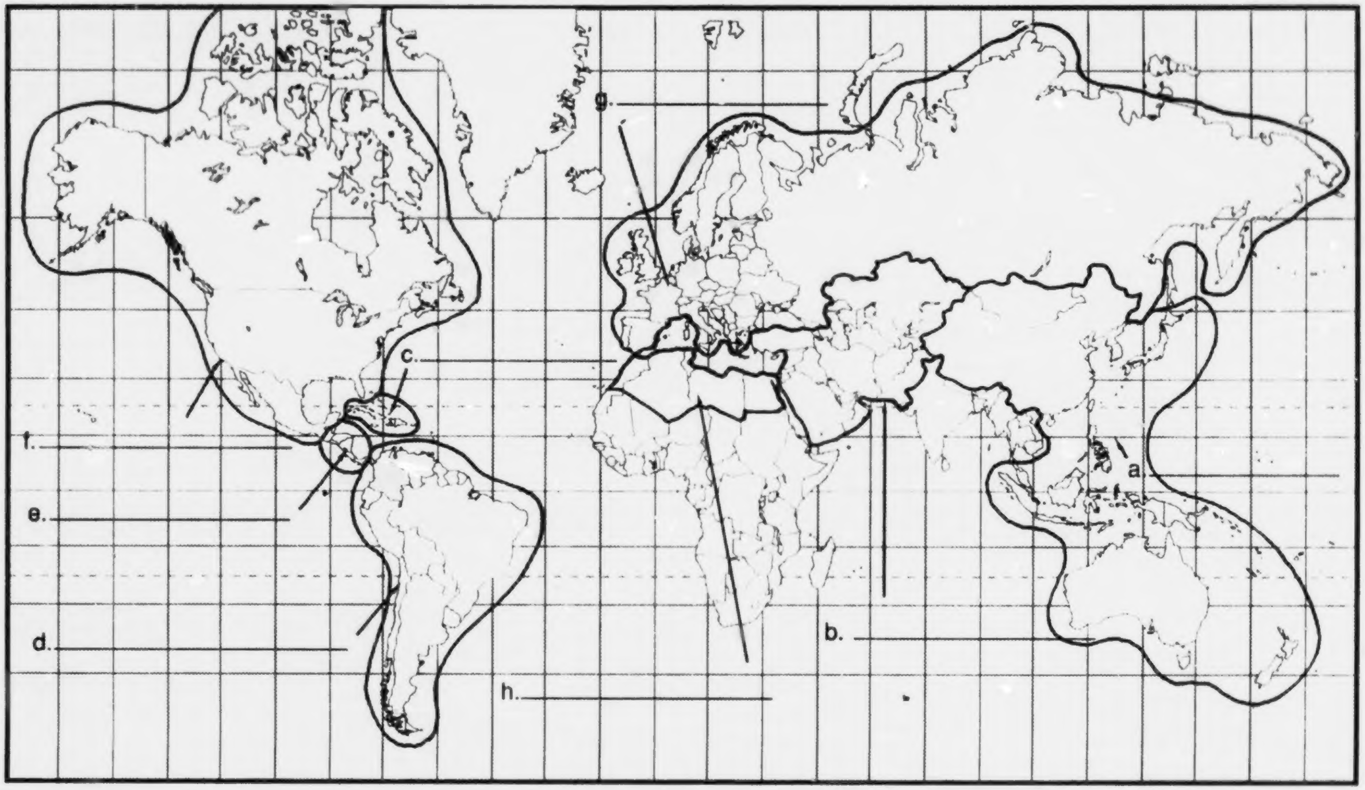
____

____

Written Test

5. Identify the major international trade regions. Using the terms in the following list, fill in the blanks on the map below.

European
Caribbean Basin
Central America
Pacific Rim
North America
South America
North Africa
Middle East



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Written Test

6. Define the major international trade organizations. Write your answers on the blank lines beside each of the abbreviations/terms below.

   a. EC ______________________________

   ____

   ____

   b. EFTA ______________________________

   ____

   ____

   c. CACM ______________________________

   ____

   ____

   d. CARICOM ______________________________

   ____

   ____

   e. LAIA ______________________________

   ____

   ____

   f. Andean Pact ______________________________

   ____

   ____

   g. ASEAN ______________________________

   ____

   ____

Written Test

7. State the purpose of international trade agreements. Write your answer on the blank lines provided below.

____

____

____

8. Distinguish among the definitions of the terms *legal*, *moral*, and *ethical*. Put an "L" on the blank before the definition of *legal*, an "M" before the definition of *moral*, and an "E" before the definition of *ethical*.

______a. Relating to the unwritten standards by which a group judges what is right and wrong

______b. Relating to the laws binding a certain group of people

______c. Relating to the generally accepted standards of goodness in conduct or character

9. Discuss the purpose of a trade-region profile. Write your answer on the blank lines provided.

____

____

____

____

____

Permission to duplicate this test is granted.

International Trade Regions
Unit 2

Unit Evaluation Form

Student name ________________________________ Unit rating __________

Assignment-sheet ratings

Assignment Sheet 1—Explore the Impact of Geography on the Major International Trade Regions Rating ______

Comments: ____

____

____

Assignment Sheet 2—Explore the Impact of Certain Cultural Aspects on International Trade Rating ______

Comments: ____

____

____

Assignment Sheet 3—Profile a Local Business That Participates in International Trade Rating ______

Comments: ____

____

____

Assignment Sheet 4—Profile Your State Rating ______

Comments: ____

____

____

Unit Evaluation Form

Assignment Sheet 5—Profile a Major International Trade Region Rating ______

Comments: ____

____

____

Assignment Sheet 6—Analyze Current Events Within the Major International Trade Regions Rating ______

Comments: ____

____

____

Written-test scores

Pretest ______ Posttest ______ Other ______

Comments: ____

____

____

Teacher signature____________________________ Date ____________

Student signature____________________________ Date ____________

113

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International Trade Regions
Unit 2

Teacher Supplement 1—History of International Trade

International trade is nothing new. Thousands of years ago, the ancient Phoenicians used their sailing skills to travel and trade throughout the Mediterranean and European Atlantic coastal areas.

Later, the Romans with their vast empire, common currency, and interconnecting road system also took advantage of trade from northern Europe to Asia Minor.

After the collapse of the Roman Empire in 476 AD, however, international trade came to a halt for the most part, at least until the Renaissance years when Italian, Portuguese, and Spanish explorers began looking for a sea lane to the Orient to keep themselves in the spices and herbs they had learned to appreciate during the Crusades. It was on one of these trips in 1492 that an Italian, Christopher Columbus, bumped his tiny Spanish sailing ships into what is now known as Santo Domingo—an island off the main land mass of the North American Continent. After that, as the saying goes—the rest is history. Spaniard Vasco Nunez de Balboa discovered the narrow strip of land that many years later would become the Panama Canal, and, in 1513, was the first European to see the Pacific Ocean. Ferdinand Magellan, of Portugal, was financed by Spain to find a westward trade route to the Orient in 1520. His travels took European ships to the Philippine and Marianas Islands. Although he was killed in a battle in the Philippines, one of his ships continued the westward route until it arrived back in Spain in 1522 after circling the globe.

The Italians and Spanish continued trans-Atlantic voyages through the period to explore the "new land" and exploit the natural resources and native peoples there. Then, as fortunes changed in Europe and the English defeated the Spanish armada in 1588, the explorers came more and more from northern Europe. Finally, it was the French and English who churned the sea lanes of the Atlantic in search of commerce. From then, through the birth of the United States and the concurrent rise and decline of the British Colonial Empire, modern international trade began. Most of the history and resulting wars and disturbances of the period can be traced to one nation or another seeking to exploit natural resources in competition with the rest of the world. Even the Civil War in the United States in the 1860s was largely the result of trade friction between the industrialized North and the agrarian South over tariff levels on trade with European nations.

Throughout the turbulent European Colonial era, and for nearly all of the 20th century, international trade has developed into a major part of the economies of the developed nations of the world. Why? Because such trade allows nations to specialize in what they are best suited to produce. International trade involves buying and selling across national borders and, in general, it allows more goods to be produced and more human wants to be satisfied than if each country tried to produce everything it needed by itself.

By the early 1980s, world trade (a measure of all exports) measured about $2 trillion per year, with the leading exporters being the U.S., what was then West Germany, Japan, Great Britain, and France.

Teacher Supplement 1

As countries trade with one another, their records indicate whether they are selling more or less than their trading-partner countries are selling to them. This comparison is known as the *balance of trade*. If a country sells fewer dollars worth of goods and services to one country than it buys from that country, it is said to have a *trade deficit* in its balance of payments. Such has been the case with the U.S. and Japan for many years. The U.S. has purchased far more dollars worth of goods from Japan than the island nation has purchased from the U.S.

History shows that in the 1960s, large deficits in the U.S. balance of payments caused serious economic problems, which led the U.S. to send large amounts of gold to other nations—until its own gold reserves were beginning to dwindle. Also, the U.S. began going in debt, borrowing more from its own taxpayers and foreign investors than it was generating through taxes.

By 1971, the U.S. government stopped exchanging gold for dollars, then devalued the dollar by 8 percent, and again by 10 percent in 1973. This meant each dollar held by a foreign customer would buy only 82 cents worth of American goods and services. These countries had essentially lost 18 cents of every dollar they held.

About the same time, sharp rises in energy costs took place after Middle East nations staged oil embargoes against the U.S. because of its support of Israel. That situation held down economic growth as the U.S. scrambled to accustom itself to higher fuel and petroleum prices, and that further deepened government borrowing (or deficit spending), which continued to cause the nation problems even as the end of the 20th century neared.

By 1991, however, numerous nations had developed their economies sufficiently to enter into international trade, the Soviet Union collapsed as a unified military and economic power, its former republics were racing toward market-oriented economies and various forms of democracy. With that monumental change also came attempts at removing trade barriers within the European Community and its member nations; work began on the North American Free Trade Agreement, which would end trade barriers between Mexico, the U.S., and Canada; and the so-called Pacific Rim countries continued developing their economies and trading expertise.

The economies of the nations of the world had become more closely linked than at any time in history by the 1990s. When it does not rain in Brazil at the right time, soybean prices go up in the U.S. When hard winter storms slice across the U.S. Corn Belt, hog prices climb around the world. When a small nation in the Middle East invades its neighbor, oil prices skyrocket in Tokyo, London, and New York.

Today, we live in a truly global economy, whether we like it or not!

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International Trade Regions
Unit 2

Teacher Supplement 2—Why Is International Trade Important?

More than 200 years ago, the British economist Adam Smith developed a theory that taught nations should produce the goods and services in which they were the most efficient, sell those goods abroad (export) for cash, and use that cash to purchase foreign goods and services (import) in which they were less efficient.

A good example of this theory in action might include the nation of Iraq and the United States before the Persian Gulf War in 1991. Iraq was a major importer of U.S. wheat and other grains. Because of its arid climate, Iraq is not well suited for dependable small-grain production. The U.S., however, has abundant, rich farm land and a climate capable of producing massive grain crops each year. But, the U.S. must look outside its borders for petroleum reserves to keep its factories and transportation systems operating. So, the U.S. purchased thousands of barrels of Iraqi crude oil and Iraq used the profits to buy thousands of bushels of U.S. grain. Both nations benefited.

Today, economists will tell you imports are a major reason for the higher standard of living industrialized nations enjoy. Also, they will point out thousands of jobs—from longshore-workers who unload ships to shop owners who specialize in imported goods—are dependent upon import activity. Exports, too, play an important part in industrialized and developing nations' economies. For instance, Brazil is a major exporter of farm goods and military equipment. This trade brings in wealth with which Brazil develops its roads, cities, and standard of living. In the U.S., more than half of the wheat grown in the Great Plains is exported to other nations. This supplies a market for American farmers and grain companies, as well as keeps U.S. agriculture production efficient enough to hold food prices down in the U.S. In Central America, Guatemala sells abundant supplies of bananas and other tropical fruits to northern nations that cannot grow them. In this instance, Guatemalan farmers have an expanded market for products in demand outside their own country and play an important part in bringing new wealth into Guatemala.

In the United States, it is estimated that for every $1 billion in exports, 20,000 U.S. jobs are created. Within the last ten years, the U.S. alone exchanged $600 billion in import and export transactions each year. On the world level, international trade accounts for more than $2 trillion in exchanges a year and continues to grow.

Today's U.S. consumer is directly involved each day with goods traded internationally. For instance, many Americans wake up to a Japanese-produced clock radio, turn on a German-designed coffeemaker to brew Colombian coffee, shave their face or legs with a Swedish Schick razor, blow dry their hair with a machine from Taiwan, and drink their coffee from a mug made in China. That's all before turning on a Korean-made television set and answering an early-morning telephone call on a phone set made in Malaysia.

Teacher Supplement 2

Once they are dressed, fed, and updated on the morning news—which includes stories and market information from around the world—they likely drive to work in an imported automobile or one built from parts made in any number of countries. On the way to work, they may hear an array of radio commercials for products such as French Perrier, Mexican Corona beer, or athletic shoes made in China.

In fact, there is a 1 in 20 chance the job a U.S. citizen holds is with an employer based in a foreign nation doing business in the U.S. Even if the employer is a U.S. firm, the chances are overwhelming that imported materials are a significant part of the firm's products.

For instance, a person working in a Firestone tire factory actually works for Bridgestone Tire and Rubber Co., a Japanese firm. If you purchase auto parts froma Parts Plus store, you are doing business with a retail outlet owned by a London-based investment firm. A midwest farmer using a weed-preventive chemical known as Aatrex is doing business with the European chemical company Ciba. Likewise, workers for Conoco, Cargill, and Continental Grain all deal in imported goods, despite the fact their parent companies are based in the U.S.

At work, the U.S. worker uses machine tools made in Sweden or Germany, or a computer or other office equipment assembled in Thailand or Japan, sells foreign-produced goods, or drives a Japanese fork lift. In nearly any job, the ball-point pen used sometime during the day is probably imported.

So, what does all this mean? Could not all of these products be made in the U.S.? Most certainly, except for Perrier, which comes out of a French water tap and probably would not be Perrier if it did not. Why import all these goods?

A number of reasons exist for importing and a number of results occur because of it.

A primary reason Americans buy imported goods is economic (price). Many imported goods are less expensive than U.S.-produced goods. From Payless shoes (China) to Panasonic batteries (Japan) to many dry goods (India, Pakistan, China, Malaysia, Korea, and Brazil) and electronic appliances (Japan, Korea, China), Americans purchase goods that serve them well for much less than similar products made in the U.S. Additional examples might include tires and tools from Taiwan, soybeans from Brazil, and woven rugs from Mexico.

In some sectors of U.S. manufacturing, raw materials are imported because they are unique and not found in this country in economic quantities. Chromium (South Africa), titanium and bauxite (the former Soviet Union area), Philippine mahogany, raw rubber and industrial diamonds from southeast Asia and Africa—all are items imported for U.S. manufacturing purposes.

In similar instances, the U.S. no longer produces some products and they have to be imported. For instance, if you wish to use a fully adjustable or automatic 35-mm camera, more than likely you will buy a Japanese or Asian camera. The U.S. no longer produces such items. If you want a television set, even longtime U.S. electronic manufacturers most likely will sell you a product built outside the U.S. And, there is only one fully U.S.-owned and -operated tire builder left—Goodyear.

Another reason there is demand for imports is authenticity. For instance, ethnic groups want products with which they are familiar; therefore, they will pay for products from their former nations. Egyptian cotton has a special fiber length and texture that some clothing manufacturers desire, so Egyptian cotton is imported. Restaurants specializing in French cuisine order thousands of bottles of French wine. And, there is still a market for Cuban cigars—even though it is against U.S. law to import from Cuba!

Conspicuous consumption (status or "snob appeal") also plays a part in products imported to the U.S. For instance, in many cases BMW and Mercedes-Benz automobiles are purchased for status, although many owners will argue their cars' construction quality is superior to U.S. products (which, at least for a time, was a legitimate claim). Still, whether it be an American Lincoln or Cadillac, or Austrian BMW or German Mercedes, or Japanese Lexus or Infiniti, an automobile is a machine to move people from point A to point B. The price and name reflect assumed status. The same goes for French wines, which regularly lose international competition to California and Texas products. Still, French wines are sought after for status' sake. What about Bugle Boy or Duck Head pants—Chinese products? Do they cover one's body better than Haggar or Levi slacks? No, but they are what "everybody" is wearing—and so thousands of pairs are imported daily and sold for comparable prices to U.S.-made garments. What about Gucci shoes? Or Heineken beer? Many items U.S. consumers feel they need are purchased largely because of status consciousness.

As mentioned earlier, there are results from this business activity of importing foreign goods. First, a number of jobs depend upon imports. Accountants, sales representatives, lawyers, truck drivers, dock workers, bankers, and a host of others are involved in the import trade.

The U.S. standard of living is higher because consumers spend smaller amounts of money for some items imported than they would for similar items produced here. Also, there is a broader choice of items for sale because of foreign supplies, and U.S. manufacturers have to compete with imported goods—usually resulting in steady technological advances that benefit the consumer.

On the downside, when U.S. firms decide to contract their production with foreign labor, U.S. workers lose their jobs. In the example above, the U.S. has literally foregone its own production of 35-mm cameras. The same can be said for consumer electronics and a huge portion of the U.S. clothing and shoe industry. In many respects, this has also occurred in the domestic oil industry as the nation continues to import foreign petroleum stocks rather than develop its own reserves.

Also, increased dollar amounts of imports (over dollars brought in through exporting) add to the nation's so-called *trade deficit* as more dollars flow out of the nation than are brought in. Many fear that if the deficit is not moderated or balanced, the U.S. economy will suffer long-term damage in the future.

Teacher Supplement 2

Although most of our examples so far have been merchandise or so-called *visible goods*, international trade involves many valuable products that cannot be put in a box and shipped. Within the international trade arena, many different types of *invisible services* are required.

Typically, these services consist of such things as travel arrangements, hotel and car-rental services, banking, insurance, engineering, and management.

Another product traded internationally would include so-called *foreign assets*. Licensing agreements allow for royalties (or payments) to be made for the use of such items as trademarks, patents, or copyrights. This is currently widespread within nations, but is becoming more important internationally as companies open new outlets abroad. An example is the use of patented and copyrighted Disney cartoon characters in the new Euro-Disney facility, and the likenesses of the lovable "Shamu" the whale in theme parks being built in Japan.

Finally, investments abroad are *products* in global trade. Direct investment involves investing in a business and maintaining control. Good examples are the Honda automobile plant in Ohio, which produces Japanese-designed automobiles for American consumers in their own country. Or, Ford's Hermosillo, Mexico, assembly plant, which produces a number of compact cars for the U.S., Mexican, and Canadian markets.

Portfolio investments are merely the movement of funds from one country to another to get a higher return on short-term investments. These investments offer no degree of ownership but can provide capital growth if the market cooperates. Japanese investors have purchased U.S. government securities for years because the rate of return was an attractive and safe investment. And, as Pacific Rim economies (those located on the rim of the Pacific Ocean) begin to mature, investors from Malaysia and Taiwan are beginning to show interest in owning part of the U.S. economy in the same way.

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International Trade Regions
Unit 2

Teacher Supplement 3—Identify Countries-of-Origin for Consumer Products

Name ______________________________

Introduction

Many of the products we use daily were produced in other countries. Even products assembled in the U.S. may contain parts that have been made elsewhere. In fact, a product that contains only 51 percent U.S.-produced parts can be labeled "Made in the USA."

Automobiles are a good example. In a domestically produced car, the engine may have been assembled in Canada, the body assembled in Michigan, the tires made in a plant in Oklahoma, the computer controls made in Japan, the wheel covers and interior parts made in Mexico, and the transmission assembled in Germany.

As our business world becomes more dependent on international trade, we find the U.S. consumer also is more dependent upon international trade. As you complete this exercise, you may be surprised to discover how many nations you and your family support with your purchases of food, clothing, and manufactured goods.

Directions

Read Teacher Supplement 2, "Why Is International Trade Important?" After reading this supplement, you should have an increased awareness of the variety of consumer goods that come from other countries. At home, look through your closets and your kitchen, and examine your entertainment appliances to determine the products you and your family have that were made outside the United States. Study the record form on the next page, and then, identify five items in each of the following categories: clothing, food products, and manufactured goods. Record on the form where each item was made. In most cases, the country-of-origin will be displayed somewhere on the item or its label.

Teacher Supplement 3

Record Form

Clothing

Item	Country-of-origin
1. ____________________	____________________
2. ____________________	____________________
3. ____________________	____________________
4. ____________________	____________________
5. ____________________	____________________

Food products

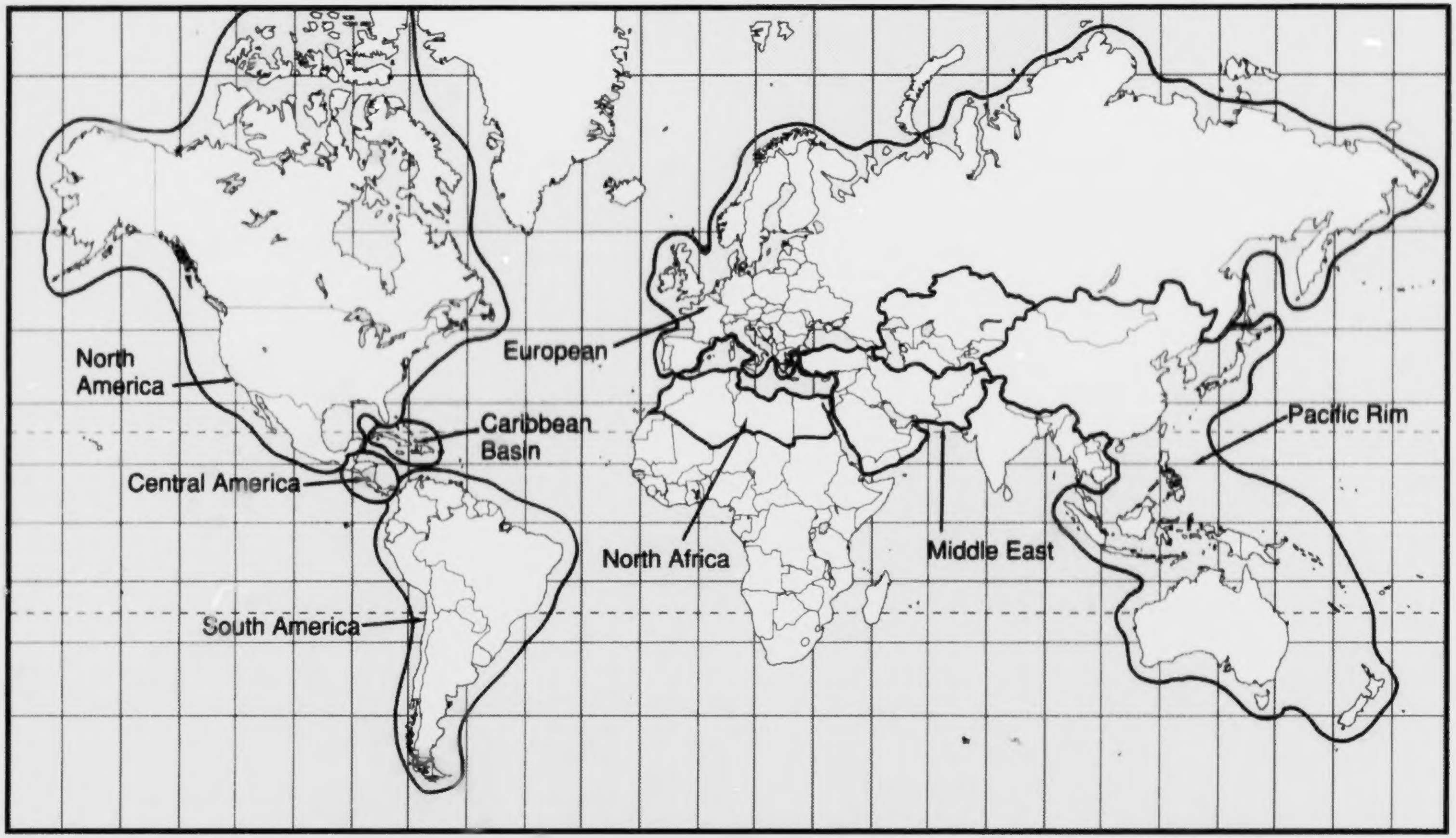
Item	Country-of-origin
1. ____________________	____________________
2. ____________________	____________________
3. ____________________	____________________
4. ____________________	____________________
5. ____________________	____________________

Manufactured goods

Item	Country-of-origin
1. ____________________	____________________
2. ____________________	____________________
3. ____________________	____________________
4. ____________________	____________________
5. ____________________	____________________

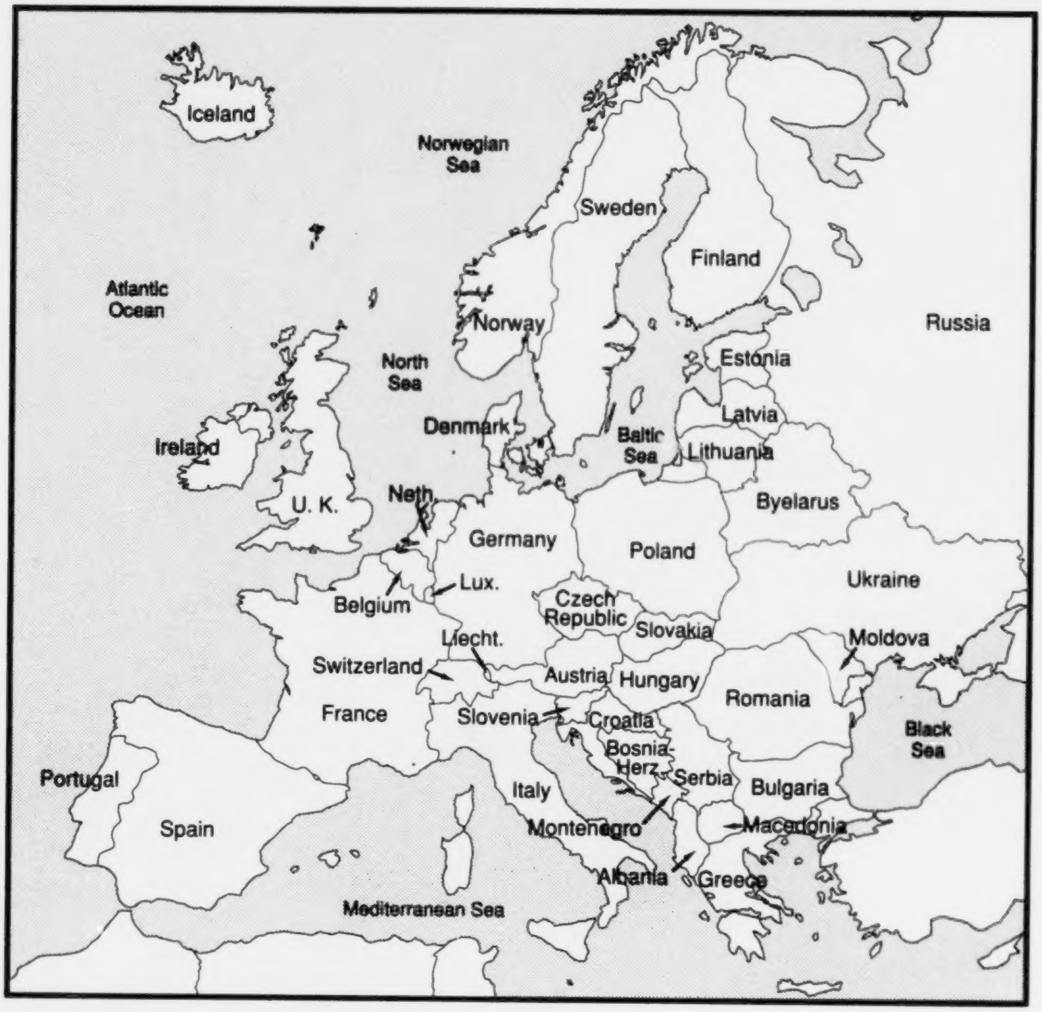
Permission to duplicate this supplement is granted.

Major International Trade Regions


North America
European
Caribbean Basin
Central America
North Africa
Middle East
Pacific Rim
South America

BEST COPY AVAILABLE

European Trade Region


Iceland
Norwegian Sea
Atlantic Ocean
Sweden
Finland
Russia
Norway
North Sea
Estonia
Latvia
Denmark
Baltic Sea
Lithuania
Ireland
U. K.
Neth.
Byelarus
Germany
Poland
Ukraine
Lux.
Belgium
Czech Republic
Slovakia
Liecht.
Moldova
Switzerland
Austria
Hungary
Romania
France
Slovenia
Croatia
Black Sea
Bosnia-Herz.
Serbia
Portugal
Bulgaria
Italy
Spain
Montenegro
Macedonia
Albania
Greece
Mediterranean Sea

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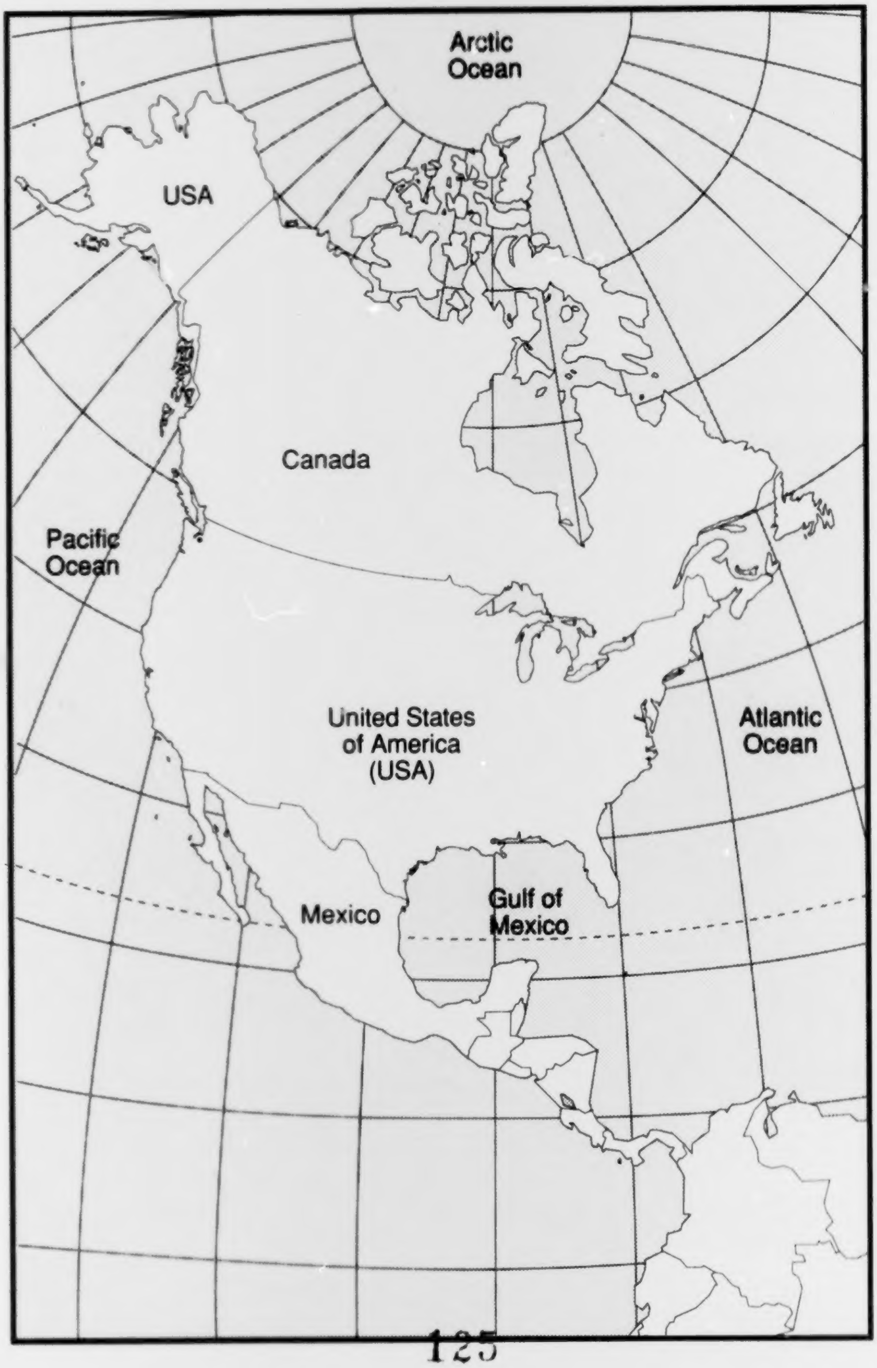
North America Trade Region


Arctic Ocean
USA
Canada
Pacific Ocean
United States of America (USA)
Atlantic Ocean
Mexico
Gulf of Mexico

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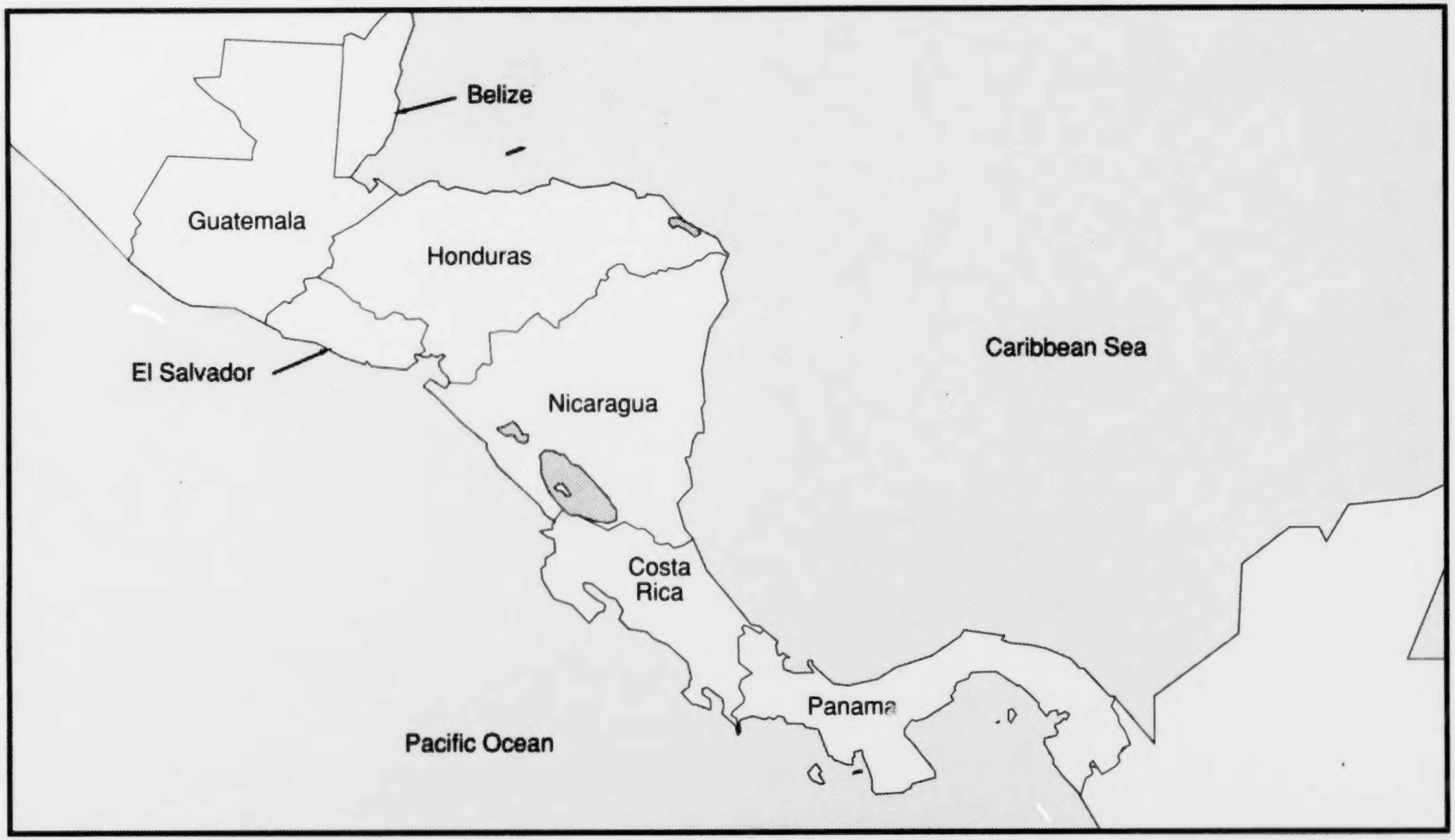
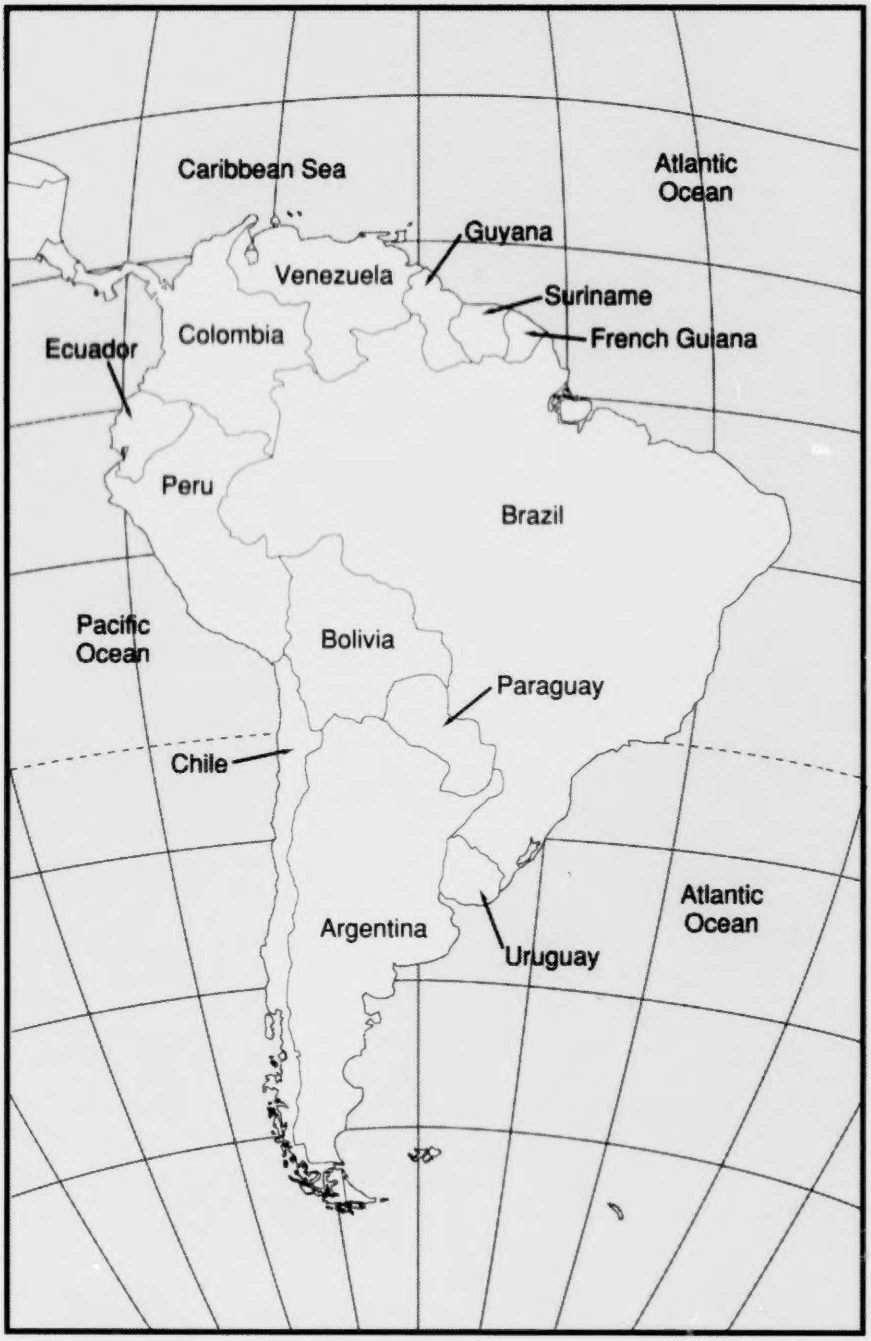
Central America Trade Region


Belize
Guatemala
Honduras
El Salvador
Nicaragua
Caribbean Sea
Costa Rica
Panama
Pacific Ocean

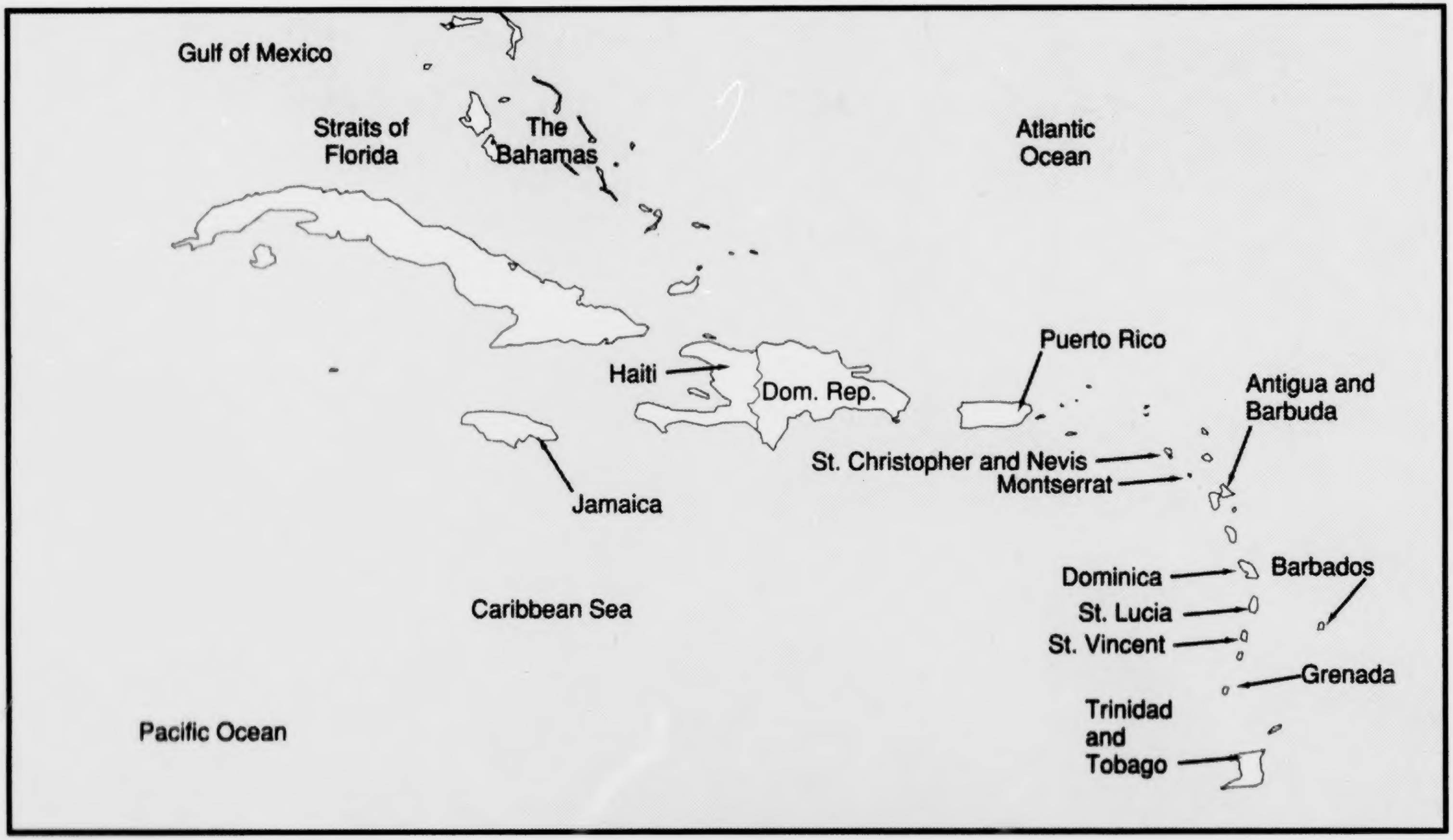
BEST COPY AVAILABLE

South America Trade Region


Caribbean Sea
Atlantic Ocean
Guyana
Venezuela
Suriname
French Guiana
Ecuador
Colombia
Peru
Brazil
Pacific Ocean
Bolivia
Paraguay
Chile
Argentina
Atlantic Ocean
Uruguay

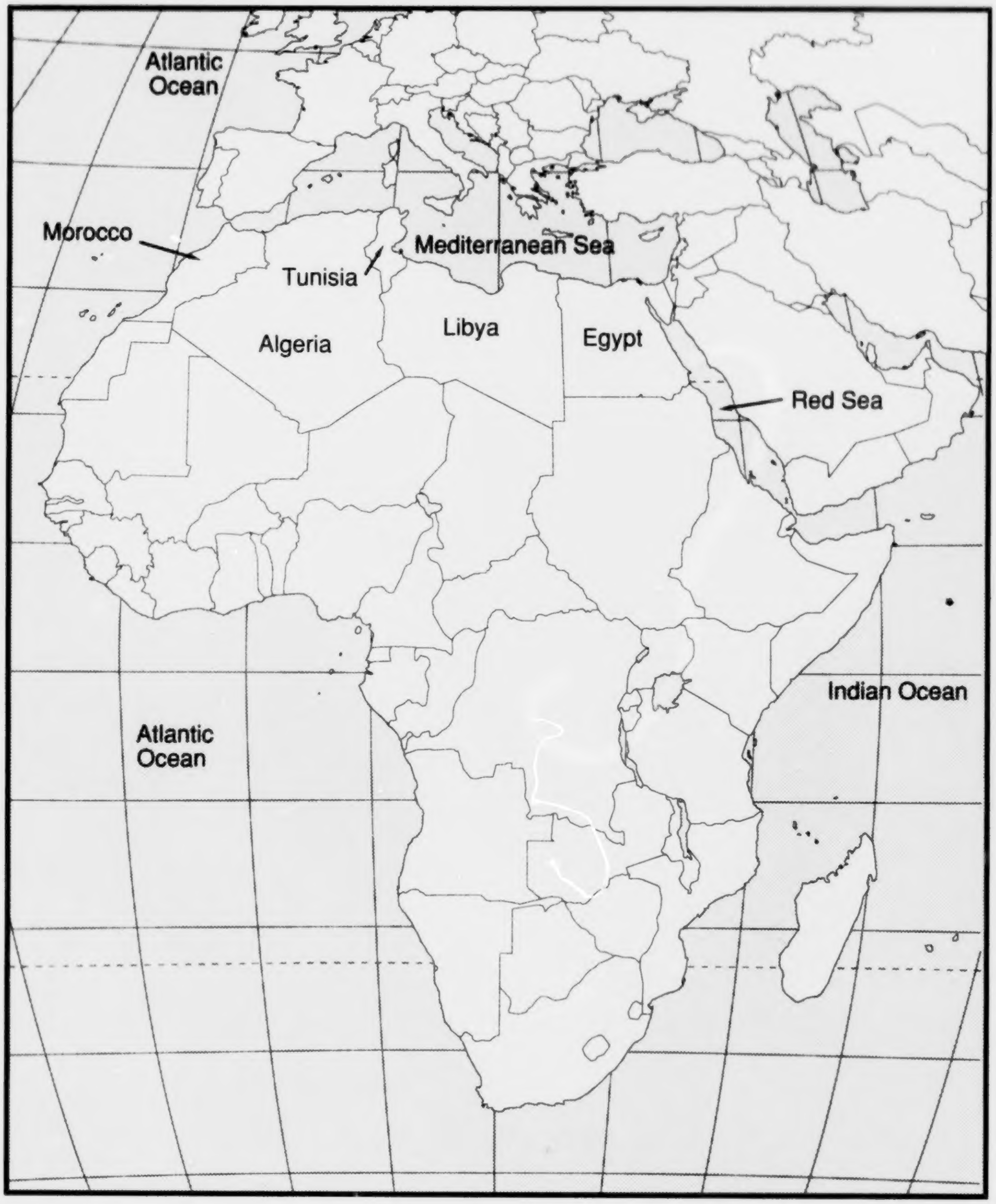
BEST COPY AVAILABLE

Caribbean Basin Trade Region


Gulf of Mexico
Straits of Florida
The Bahamas
Atlantic Ocean
Haiti
Dom. Rep.
Puerto Rico
Antigua and Barbuda
St. Christopher and Nevis
Montserrat
Jamaica
Dominica
Barbados
St. Lucia
St. Vincent
Grenada
Caribbean Sea
Trinidad and Tobago
Pacific Ocean

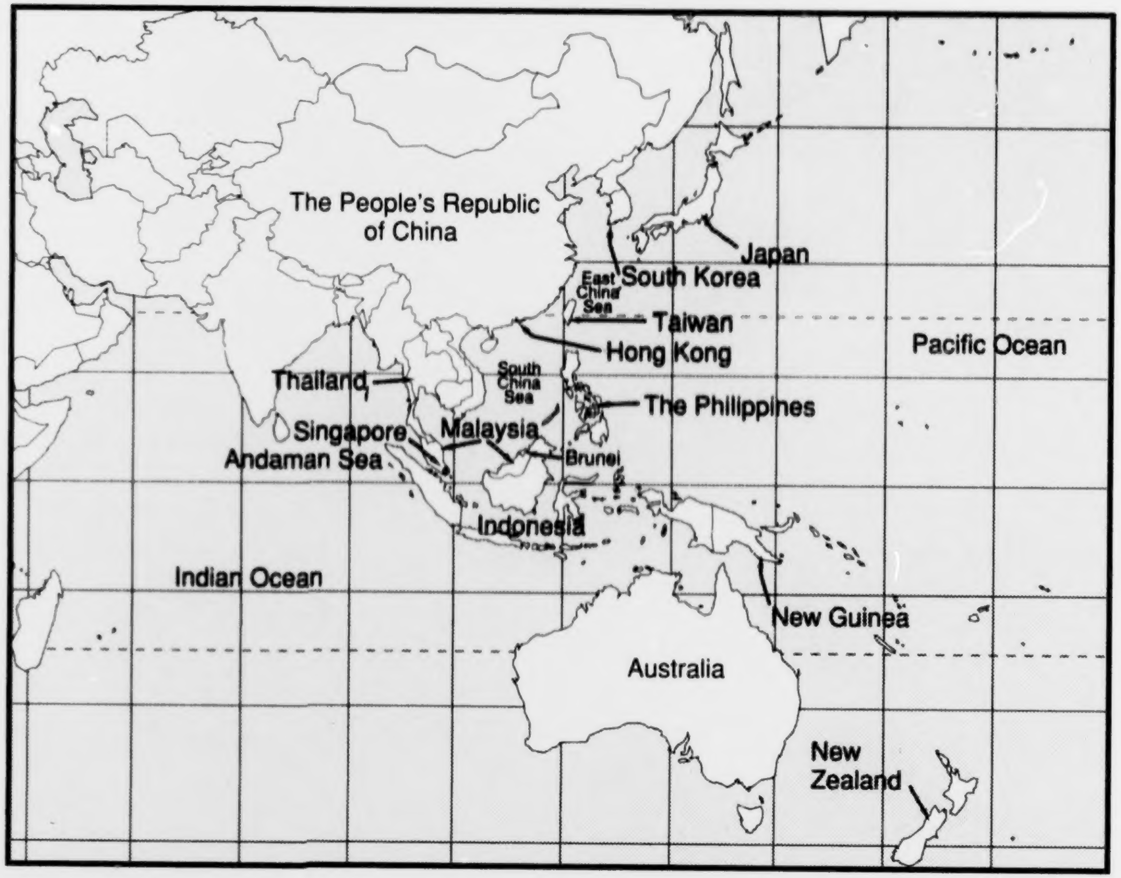
BEST COPY AVAILABLE

North Africa Trade Region


Atlantic Ocean
Morocco
Mediterranean Sea
Tunisia
Algeria
Libya
Egypt
Red Sea
Indian Ocean
Atlantic Ocean

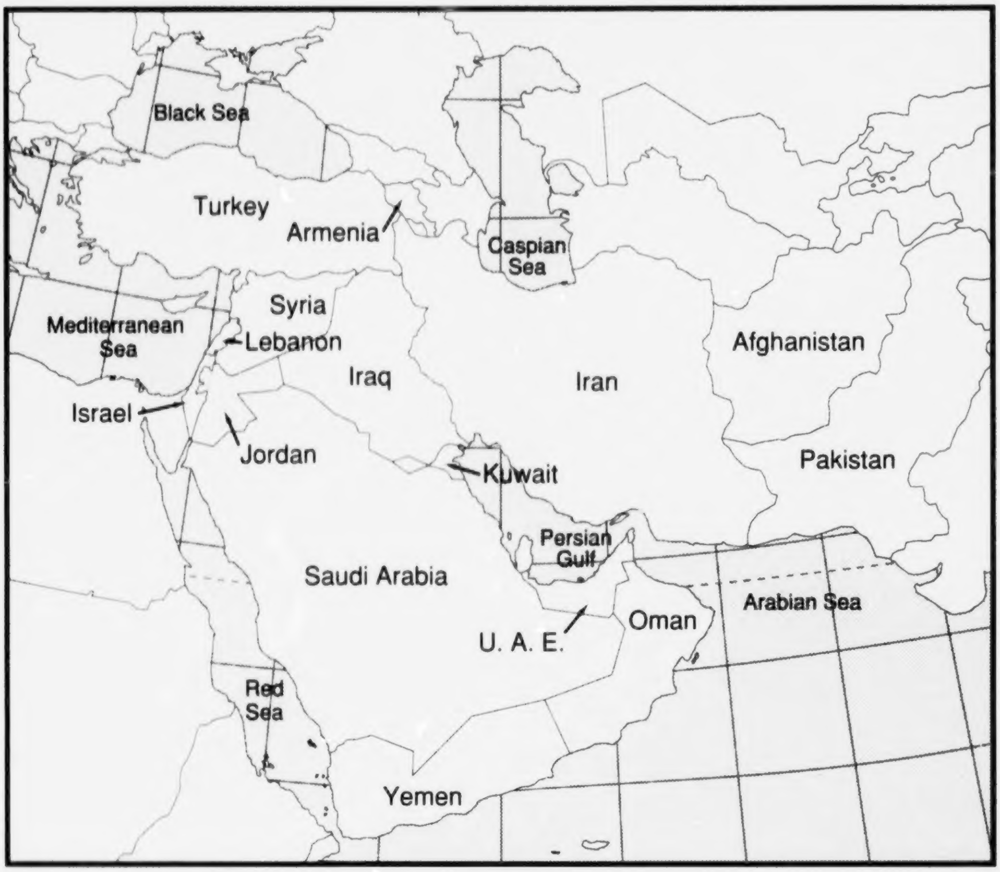
BEST COPY AVAILABLE

Pacific Rim Trade Region


The People's Republic of China
Japan
South Korea
East China Sea
Taiwan
Hong Kong
Pacific Ocean
Thailand
South China Sea
The Philippines
Singapore
Malaysia
Andaman Sea
Brunei
Indonesia
Indian Ocean
New Guinea
Australia
New Zealand

BEST COPY AVAILABLE

Middle East Trade Region


Black Sea
Turkey
Armenia
Caspian Sea
Syria
Mediterranean Sea
Lebanon
Iraq
Iran
Afghanistan
Israel
Jordan
Pakistan
Kuwait
Persian Gulf
Saudi Arabia
Arabian Sea
Oman
U. A. E.
Red Sea
Yemen

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International Economics and Finance
Unit 3

Suggested Activities

Instructional plan

Preparation

- Review unit and plan presentation. Study the specific objectives to determine the order in which you will present the objectives.

  Review the unit introduction and teaching suggestions included in the delivery and application section below and plan classroom activities. Also note suggestions for media and supplemental materials.

  Plan presentation to take advantage of student learning styles and to accommodate special-needs students.

- Obtain films, videotapes, and other media to supplement instruction of this unit.

- Make transparencies from the transparency masters included in the teacher pages of this unit.

- Study Teacher Supplements 1, 2, and 3. Teacher Supplements 1 and 2 explain the rules and conduct for simulations that are used to illustrate basic economic and financial principles.

  Teacher Supplement 1, "Free-Enterprise vs. Closed Economy International-Trade Simulation," discusses the simulation that will be used with Assignment Sheet 1, "Determine the Economic Advantages of a Free-Enterprise System." You will need to read this supplement and prepare the certificates required for completion of the game. Since this game is tied to an assignment sheet, it is considered a required activity for the completion of this unit.

  The Wagon Master simulations presented in Teacher Supplement 2 and analyzed in Teacher Supplement 3 are **not** tied to an assignment sheet and are, therefore, considered optional activities for students who have had little experience with economic or financial concepts. If you choose to use these optional activities, you will need to review Teacher Supplement 2, "Wagon Master Simulations," make copies of the play money required, and prepare the needed materials. You will also need to copy Teacher

Suggested Activities

Supplement 3, "Analyze Simulations on Basic Economic and Financial Concepts." This supplement will be for students to fill out so you can evaluate their understanding of the concepts explored during the course of the simulations.

- Study the profiling assignments (Assignment Sheet 3, "Profile a Nation's Economy," and Assignment Sheet 5, "Profile a Nation's Financial System"). Review the resources list presented in Teacher Supplement 4 in Unit 1, "Introduction to the Careers in International Trade," and collect the resources applicable to these assignments.
- Review Assignment Sheet 6, "Analyze Current Events Concerning Issues Relevant to International Economics and Finance." This assignment will become part of the student's personal portfolio. Review format guidelines you have established for the student portfolio.
- Select teacher components (teacher supplements, written test, unit evaluation form) you want to distribute to your students. Copy and prepare these components for distribution.
- Prepare classroom. Put up posters and charts and display articles and other references related to the objectives of this unit.

Delivery and application

Unit introduction

The skill areas appearing in bold-face type in the unit introduction and teaching suggestions refer to the academic and workplace skills identified by the American Society of Training and Development (ASTD) and the U.S. Department of Labor. These have been adapted by MAVCC.

- Have students locate the objective sheet. Discuss unit and specific objectives.
- Ask an economics instructor from your school or from a nearby college or university to come to the class to discuss economics and how it applies to international trade and our everyday lives. **(Listening for content)**
- Provide students with recent copies of *The Wall Street Journal* or the latest monthly edition of that publication's *Classroom Edition* as reading material to spark classroom

debates, written reports, and oral presentations on various current events relating to international economics and finance. **(Comprehending written information; communicating facts in written or spoken form in a clear, concise manner)**

Teaching suggestions

Objective 1 Define the term *economics*. **Objective 2** State definitions of types of economic systems. **Objective 3** Match basic economic terms to their correct definitions. **Objective 4** Match U.S. trade-enhancing policies to their correct definitions.

- Read and discuss with students the information presented in Objectives 1 through 3 of the information sheet, and then, have students locate, read, and discuss the information presented in Student Supplement 1, "Basic Economics—A Matter of Choice" and Student Supplement 2, "Types of Economic Systems." **(Reading/listening for content)**
- Using the materials provided in Teacher Supplement 1, "Free-Enterprise vs. Closed Economy International-Trade Simulation," prepare students for the simulation. Conduct the simulation, and then, have students locate Assignment Sheet 1, "Determine the Economic Advantages of a Free-Enterprise System." Read with students the introduction and directions to the exercise, answer student questions, and have students complete Assignment Sheet 1. **(Reading/listening for content; reading/listening for direction)**
- Have students locate, read, and discuss the information presented in Student Supplement 3, "Tools of International Economic Policy." Then, have students locate Assignment Sheet 2, "Analyze Scenarios to Determine the Trade Barriers at Work." Read with students the introduction and directions to the exercise, answer student questions, and have students complete Assignment Sheet 2. **(Reading/listening for content; reading/listening for direction)**
- Have students locate Assignment Sheet 3, "Profile a Nation's Economy." Read with students the introduction and directions to the exercise, answer student questions, and discuss with students possible resources to use in completing this assignment. Have students complete Assignment Sheet 3. **(Reading/listening for content; reading/listening for direction)**

Suggested Activities

Discuss with students guidelines for compiling the student's individual assignment sheet into a group report for the international trade region.

Compile all the group reports for the individual trade regions into a world profile. Make this world profile available for student review. **(Reading/listening for content; reading/listening for direction; working together in a group to reach a common goal)**

Objective 5 Define the term *finance*. **Objective 6** Match basic financial terms to their correct definitions. **Objective 7** Match to their correct definitions types of risks involved in international financial transactions. **Objective 8** Discuss the importance of international finance to international trade.

- Discuss with students the terms and concepts presented in Objectives 5 through 8 in the information sheet. Then, have students locate and discuss Student Supplement 4, "Basic Finance—Money, Inflation, and Exchange Rates." **(Reading/listening for content)**
- If your students have had little experience with basic economic and financial terms and concepts, take them through the simulation presented in Teacher Supplement 2 "Wagon Master Simulations." Hand out to each student a copy of Teacher Supplement 3, "Analyze Simulations on Basic Economic and Financial Concepts." At the end of each simulation, have students answer the corresponding questions on the teacher supplement. **(Working together in a group to reach a common goal; recognizing and defining problems, inventing and implementing solutions, and tracking and evaluating results)**
- If possible, bring to class various types of currency from several countries (Canadian coins and dollars, French francs, U.S. coins and dollars, etc.). Your local bank should be able to provide you with various types of money.
- Obtain a copy of the International Standard Codes for Currency. Explain this alphabetical list of country codes to students, who may find these codes used on documentation and reference material concerning international finance. **(Knowing how to learn)**

Suggested Activities

- Show students various periodicals that list the exchange rates for currency. Suggested sources are *The Wall Street Journal* or the business section of any daily newspaper. Explain how to read the tables found in each of these periodicals. Also, explain that the exchange-rate figures found in the *Wall Street Journal* and other periodical business sections are based on the wholesale rate charged traders dealing in transactions of $1,000,000 or more. **(Knowing how to learn)**

- Using Transparency 1, "Sample Exchange Rates," guide students through the computations required in converting currency values. Then, have students locate Assignment Sheet 4, "Analyze the Effects of Changing Exchange Rates," and have students do Part A of the assignment. Once students have mastered the computations required, have them complete Part B of the assignment, where they will compute exchange rates and analyze the effects of changing rates. When students have completed Part B of the assignment, conduct a class discussion to be sure students have correctly analyzed the effects of the changing rates. **(Applying computation skills; reading/listening for content; communicating a thought in spoken form in a clear, concise manner)**

Objective 9 Match types of payment methods used in international financial transactions to their correct descriptions. **Objective 10** Arrange in order the steps in a typical international financial transaction. **Objective 11** List types of financial institutions involved in international trade.

- Read and discuss with students the information presented in Objectives 9 through 11 of the information sheet. Use Transparency 2, "Steps in a Typical International Financial Transaction," and Student Supplement 5, "Types of Financial Institutions," to further explain and illustrate these objectives. **(Reading/listening for content)**

- Have students locate Assignment Sheet 5, "Profile a Nation's Financial System." Read with students the introduction and directions to the exercise, answer student questions, and discuss with students possible resources to use in completing this assignment. Have students complete Assignment Sheet 5. **(Knowing how to learn; reading/listening for content; reading/listening for direction)**

Suggested Activities

Discuss with students guidelines for compiling the student's individual assignment sheet into a group report for the international trade region.

Compile all the group reports for the individual trade regions into a world profile. Make this world profile available for student review. **(Working together in a group to reach a common goal)**

- Have students locate Assignment Sheet 6, "Analyze Current Events Concerning Issues Relevant to International Economics and Finance." Explain to students that this assignment is a portfolio assignment that will follow the guidelines you established for the portfolio in Unit 1.

  Read with students the introduction and directions to the assignment, answer student questions, and have students complete Assignment Sheet 6. **(Reading/listening for content; reading/listening for direction)**

Evaluation

- Evaluate assignment sheets. See the evaluation criteria listed at the top of each assignment sheet as well as the teacher page "Answers to Assignment Sheets."
- Give written test. See the teacher page "Written Test."
- Evaluate written test. See the teacher page "Answers to Written Test."
- Compile written-test and assignment-sheet scores. See the teacher page "Unit Evaluation Form."
- Reteach and retest as required.

Suggested resources

Resources used in developing this unit

Print media

- *A Basic Guide to Exporting*. Washington, D.C.: U.S. Department of Commerce, 1992.
- Daniels, John D., and Lee H. Radebaugh. *International Business Environments and Operations*. Reading, MA: Addison-Wesley Publishing Company, 1989.

Suggested Activities

- *Employment in Agribusiness*, 2nd ed. Stillwater, OK: Mid-America Vocational Curriculum Consortium, Inc., 1992.
- Gordon, Sanford D., and Alan D. Stafford. *Basic Economic Principles*. Mission Hills, CA: Glencoe Publishing Company, 1989.
- Hodge, Larry D. *Economics Concepts and Applications*. Austin, TX: Steck-Vaughn Company, 1992.
- Ikerd, John, Bill Strom, and James Rutlege. *WAGON MASTERS—The Money Game for 4-H/Youth*. Stillwater, OK: Oklahoma State University, November, 1985.
- Kayaloff, Isabelle J. *Export and Project Finance*. London, England: Euromoney Publications, 1988.
- Lynch, Richard L., Herbert L. Ross, and Ralph D. Wray. *Introduction to Marketing*. New York: Gregg Division, McGraw-Hill Book Company, 1984.
- Nelson, Carl A. *Import/Export—How to Get Started in International Trade*. Blue Ridge Summit, PA: TAB Books, Inc., 1990.
- Sanford, Gordon D., and Alan D. Stafford. *Basic Economic Principles*. Mission Hills, CA: Glencoe Publishing Company, 1989.
- Schneider, Gerhard W. *Export-Import Financing*. New York: The Ronald Press Co., 1974.
- Stanford Program on International and Cross-Cultural Education (The European Project). *Mapping Europe*. Stanford, CA: Leland Stanford Junior University Board of Trustees, 1992.
- *Reader's Digest Illustrated Encyclopedia Dictionary*. Pleasantville, NY: The Reader's Digest Association, Inc., 1987.
- *The Wall Street Journal*. New York: Dow Jones & Company, July 23, 1992.

Suggested Activities

Suggested supplemental resources	• Current-event economic material in print and video form, based on the daily report of *The Wall Street Journal*, is available in classroom quantities to teachers for one semester or a full school year from *The Wall Street Journal, Classroom Edition*, P.O. Box 300, Princeton, NJ 08543. Or, call 1-800-628-9320, ext. 2159.

International Economics and Finance
Unit 3

Answers to Assignment Sheets

Assignment Sheet 1

Student performance should be evaluated according to the criteria listed on the assignment sheet.

Evaluator's note: Answers should reflect the student's comprehension of material discussed and experienced in the trade simulation and presented in Teacher Supplement 1 and should conform to the instructor's evaluation of the student's overall grasp of the material.

Assignment Sheet 2

Student performance should be evaluated according to the criteria listed on the assignment sheet. Individual items on the assignment sheet should be evaluated using the information below.

1. Tariff
2. Dumping
3. Embargo
4. Import quota
5. Embargo
6. Import quota
7. Embargo
8. Protectionism
9. Dumping
10. Tariff

Assignment Sheet 3

Student performance should be evaluated according to the criteria listed on the assignment sheet.

Evaluator's note: This economic profile of an assigned nation should be a written report. Grading should be based on neatness, completeness, and effort put forth by the student in completing the assignment.

Assignment Sheet 4

Student performance should be evaluated according to the criteria listed on the assignment sheet. Individual items on the assignment sheet should be evaluated using the information below.

Part A

1. $263.10
2. 1,900,500 yen

Answers to Assignment Sheets

3. 49,500 yen
4. $675,219.44
5. 160,035.84 guilders

Part B

1. The values of the yen, SFranc, guilder, pound, and mark should be circled on the exchange-rate chart provided by the student.
2. Compare value marked with that in Student Supplement 4 for correct answer.
3. Answer will vary according to movement of exchange rates. If the yen fell in relation to the U.S. dollar, Japanese products cost less in the U.S.; if the yen rose against the dollar, Japanese products cost more.
4. Compare value marked with that in Student Supplement 4 for correct answer.
5. Answer will vary according to movement of exchange rates. If the German mark fell in relation to the British pound, German products will cost less in the U.K.; if the mark rose against the pound, German products cost more.

Assignment Sheet 5 Student performance should be evaluated according to the criteria listed on the assignment sheet.

Evaluator's note: This financial profile of an assigned nation should be a written report. Grading should be based on neatness, completeness, and effort put forth by the student in completing the assignment.

Assignment Sheet 6 Student performance should be evaluated according to the criteria listed on the assignment sheet.

Evaluator's note: See Teacher Supplement 3 in Unit 1 for evaluation suggestions for the portfolio project.

International Economics and Finance
Unit 3

Answers to Written Test

1. Study of how people use their limited resources to satisfy their needs and wants

2.
   a. Economy in which allocation of resources and production and consumption questions are answered by consumers in a marketplace that includes competition, profit, private property, and freedom of exchange
   b. Economy in which allocation of resources and production and consumption questions are answered by a government's central planning committee that strictly controls property, profit, exchange rights, and competition

3.	a.	4	g.	9	m.	16
	b.	2	h.	8	n.	11
	c.	5	i.	1	o.	18
	d.	7	j.	6	p.	15
	e.	10	k.	17	q.	13
	f.	3	l.	14	r.	12

4.	a.	2
	b.	3
	c.	1

5. Money or other liquid resources of a government, business, group, or individual; the system that includes the circulation of money, the granting of credit, the making of investments, and the provision of banking services; the science or study of the management of funds

6.	a.	7	e.	5	h.	8
	b.	10	f.	2	i.	3
	c.	4	g.	6	j.	9
	d.	1				

7.	a.	1	d.	3
	b.	5	e.	4
	c.	2		

Answers to Written Test

8. Discussion should include the following.

   International finance provides a systematic method of collection to reduce risk; provides a standard method of currency exchange to assure buyers and sellers a common reference for exchange rates; and provides financial resources for international trade through banking institutions, government agencies, and investment agencies.

9.

a.	2	d.	5
b.	1	e.	3
c.	4		

10.

a.	4	d.	1	g.	8
b.	9	e.	6	h.	2
c.	7	f.	3	i.	5

11. a. Private
    b. Government
    c. Government-assisted

International Economics and Finance
Unit 3

Written Test

Name ______________________ Score ____________

1. Define the term *economics*. Write your answer on the blanks provided beside the term below.

   Economics ______________________

2. State definitions of types of economic systems. Write your answers on the blanks provided beside each of the following terms.

   a. Free-enterprise system ______________________

   b. Centrally planned system ______________________

Written Test

3. Match basic economic terms to their correct definitions. Write the numbers on the blanks. Terms and definitions continue on the next page.

_____a. Limit placed on the amount of imports or exports

_____b. Amount included in the selling price of goods/services to pay the owners of a business for the use of their capital and organizational efforts

_____c. Condition in which a good/service becomes of economic value when there is more demand for that good/service than there is supply at a given price

_____d. Economic theory stating that all nations will have more goods if each specializes in producing those items in which it has the greatest relative efficiency and imports those items in which it has the least relative efficiency

_____e. Comparison of the value of goods/services a country exports and the value of goods/services it imports

_____f. Quantities of goods/services all buyers would be willing to purchase at any price

_____g. Selling goods to another country at prices below production cost, resulting in an increased market share in that country at the expense of its domestic producers

_____h. Use of trade barriers to protect domestic producers

_____i. Market condition in which there are many buyers and many sellers so that no one alone can unduly influence the price of an item

_____j. Economic principle stating that in a competitive market a given amount of goods/services will be available at a given price

1. Competition
2. Profit
3. Demand
4. Quota
5. Scarcity
6. Law of supply and demand
7. Comparative advantage
8. Protectionism
9. Dumping
10. Balance of trade

Written Test

_______k. Tax levied on imports

_______l. Condition occurring when one nation is capable of producing a certain good/service and another is not

_______m. Domestic policy that restricts the free movement of international trade

_______n. Measure of the total annual production of goods/services in a nation's economy in one year

_______o. Situation existing when a country imports a higher value of goods/services than it exports

_______p. Government restrictions on exports of goods/services

_______q. Situation existing when a country exports a higher value of goods/services than it imports

_______r. Quantities of goods/services all sellers would be willing to place on the market at any price

11. Gross national product
12. Supply
13. Trade surplus
14. Absolute advantage
15. Embargo
16. Trade barrier
17. Tariff
18. Trade deficit

4. Match U.S. trade-enhancing policies to their correct definitions. Write the numbers on the blanks.

_______a. Program that subsidizes the purchase and shipping of U.S. grain and agricultural commodities to nations with most-favored-nation status

_______b. On-going multilateral treaty aimed at promoting economic growth through the reduction of trade barriers among more than 175 nations around the world

_______c. Category assigned to trading partners deemed eligible for special credit and transportation incentives to purchase U.S. goods/services

1. Most-favored nation
2. Export Enhancement Plan
3. General Agreement on Tariffs and Trade

Written Test

5. Define the term *finance*. Write your answer on the blanks provided beside the term below.

Finance ____

____

____

6. Match basic financial terms to their correct definitions. Write the numbers on the blanks.

______a. Currency that most businesspeople in the world will accept as payment for goods/services

______b. Possibility of financial loss; the degree of probability of financial loss

______c. Decrease in prices because of a scarcity of currency and coinage in circulation

______d. Trade in which one good/service is exchanged directly for another without the use of an intermediate medium of exchange such as money

______e. Charge for borrowed money, generally a percentage of the amount borrowed

______f. Mechanism to store value; currency or coinage

______g. Comparison of the value of one nation's currency to that of another nation's currency

______h. Currency that has limited acceptance as payment for goods/services

______i. Increase in prices because of an excess of currency and coinage in circulation

______j. Currency that can be readily exchanged for the currency of another nation without government restriction

1. Barter
2. Money
3. Inflation
4. Deflation
5. Interest
6. Exchange rate
7. Hard currency
8. Soft currency
9. Convertible currency
10. Risk

Written Test

7. Match to their correct definitions types of risks involved in international financial transactions. Write the number on the blanks.

______a. Economic loss arising when the buyer defaults on payment

______b. Economic loss resulting from the seizure of goods by officials of a foreign government because of improper, incomplete, or inaccurate paperwork

______c. Economic loss arising because of fluctuations in global financial markets

______d. Economic loss resulting from the length of time it takes to transport goods, or loss resulting from physical damage to the goods during transport

______e. Economic loss resulting from political action taken by a government

1. Commercial-credit risk
2. Foreign-exchange risk
3. Transportation risk
4. Sovereign-action risk
5. Documentary risk

8. Discuss the importance of international finance to international trade. Write your answer on the blanks provided.

____

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Written Test

9. Match types of payment methods used in international financial transactions to their correct descriptions. Write the numbers on the blanks.

______a. Importer pays for goods when they are received

______b. Importer pays exporter before goods are shipped

______c. For surface transport, importer signs written order instructing a bank or clearinghouse to pay the exporter before goods will come into the importer's country

______d. Importer's bank issues letter guaranteeing payment when exporter has submitted to the bank a list of specified documents and a credit draft

______e. Importer pays for goods when they are sold

1. Advance payment
2. Open account
3. Consignment
4. Documentary collection
5. Letter of credit

10. Arrange in order the steps in a typical international financial transaction. Write the correct numbers (1 through 9) on the blanks provided.

a. **Step** ___: Exporter's bank notifies the exporter that the letter of credit has been received.

b. **Step** ___: Importer clears goods through customs and arranges warehousing.

c. **Step** ___: Exporter transports goods to importer.

d. **Step** ___: Sale is negotiated by importer and exporter.

e. **Step** ___: Exporter arranges transportation and documentation.

f. **Step** ___: Importer's bank sends letter of credit to exporter's bank.

g. **Step** ___: Exporter presents documents to bank for payment.

h. **Step** ___: Importer arranges financing through domestic bank.

i. **Step** ___: Exporter produces goods.

Written Test

11. List the types of financial institutions involved in international trade. Write your answers on the blanks provided.

a. ______________________________

b. ______________________________

c. ______________________________

Permission to duplicate this test is granted.

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International Economics and Finance
Unit 3

Unit Evaluation Form

Student name ______________________________ Unit rating __________

Assignment-sheet ratings

Assignment Sheet 1—Determine the Economic Advantages of a Free-Enterprise System Rating _____

Comments: ______________________________

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Assignment Sheet 2—Analyze Scenarios to Determine the Trade Barriers at Work Rating _____

Comments: ______________________________

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Assignment Sheet 3—Profile a Nation's Economy Rating _____

Comments: ______________________________

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Assignment Sheet 4—Analyze the Effects of Changing Exchange Rates Rating _____

Comments: ______________________________

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Unit Evaluation Form

Assignment Sheet 5—Profile a Nation's Financial System Rating ______

Comments: ______________________________

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Assignment Sheet 6—Analyze Current Events Concerning Issues Relevant to International Economics and Finance Rating ______

Comments: ______________________________

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Written-test scores

Pretest ______ Posttest ______ Other ______

Comments: ______________________________

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Teacher signature ______________________________ Date ____________

Student signature ______________________________ Date ____________

Permission to duplicate this form is granted.

International Economics and Finance
Unit 3

Teacher Supplement 1—Free-Enterprise Economy vs. Closed Economy International-Trade Simulation

Introduction. This simulation created by Kyle Roberts, Emerson Alternative High School, Oklahoma City, Oklahoma, is designed to show the increased economic activity possible through extending a nation's trading activity beyond its own borders. With access to a "world market" and its buying power, the "free trading" nation will have experienced increased economic activity and should have substantially more money and commodities at the simulation's end.

Directions. Divide the class into two groups, and assign one group the name *free traders* and the other *closed traders*.

Supply each group with the same amount of play money and distribute that money equally among the group members ($200 per person). Also, supply each group with equal amounts of certificates representing different commodities. See the teacher pages 133 through 139 for certificates representing the following commodities:

Steel**** Soybeans*** Hides** Sand*

Corn**** Aluminum*** Sunflower seeds** Gravel*

Each person should begin with a variety of commodities.

Explain that the number of stars on the certificates represents the relative value of the commodity and that, in bidding for these commodities, the more stars the more the commodity is worth. Also, you might discuss briefly the actual uses of these commodities in modern industry.

Explain that you, the teacher, represent the *world market* and you, too, have money to buy goods in the simulation.

Explain that the main goal of the simulation is to make money by buying and selling commodities in a limited amount of time. The person holding the most money at the end of the simulation gets a prize (of the teacher's choice).

Within the *closed trader* group, buying and selling are permitted with group members only. No outside trading is allowed either with the *world market* or the *free traders*. All transactions must be kept within the group.

Within the *free trader* group, members may trade with one another, and can trade with the *world market* if they so desire.

Once the simulation is explained and supplies are distributed, open the market and begin trading.

Teacher Supplement 1

Throughout the session, buy and sell commodities with the *free traders* and spend time watching and talking with the *closed traders* to keep transactions moving.

Once 15 or 20 minutes of trading have passed, close the *market* and total individual and group holdings of money and commodities. Announce the totals.

Have students locate Assignment Sheet 1, "Determine the Economic Advantages of a Free-Enterprise System," and instruct students to complete it.

Once students have completed and turned in their assignment sheets, open the class to discussion concerning the exercise and how it applies to the global debate concerning free trade.

Simulation reprinted courtesy of Kyle Roberts, Emerson Alternative High School, Oklahoma City, Oklahoma.

Teacher Supplement 1

STEEL

* * * *

CORN

* * * *

SOYBEANS

* * *

ALUMINUM

* * *

Teacher Supplement 1

STEEL

* * * *

CORN

* * * *

SOYBEANS

* * *

ALUMINUM

* * *

Teacher Supplement 1

HIDES

* *

SUNFLOWER SEEDS

* *

SAND

*

GRAVEL

*

Teacher Supplement 1

HIDES

* *

SUNFLOWER SEEDS

* *

SAND

*

GRAVEL

*

International Economics and Finance
Unit 3

Teacher Supplement 2—Wagon Master Simulations

This series of six economic simulations has been adapted with permission from the Oklahoma State University Cooperative Extension Service's *Wagon Master—The Money Game for 4-H/Youth.*

Wagon Master is a three-part package including:

Part A: The Meaning of Money (three simulations)
Part B: Prices, Markets, and Value (one simulation)
Part C: Inflation—Causes and Remedies (two simulations)

Wagon Master provides students a first-hand experience in economic concepts such as trade, money, supply and demand, and inflation and deflation.

Part A: The Meaning of Money

Materials needed:

1. 36 complete covered-wagon sets*
    - 36 boxes
    - 144 wheels
    - 144 hoops
    - 36 covers
    - 72 axles
    - 36 tongues
2. 72 "skins" or similar quantity of other symbolic money
3. $576 in play money** in denominations of $20, $10, $5, and $1

Simulation 1—Barter

Divide the group into four teams. A maximum of 40 students, 10 per team, can be expected to play at any one time. A group of 24 with 6 per team would probably be more desirable. Each team should choose a wagon master and a bookkeeper; the rest will be traders and wagon makers.

Distribute wagon parts to each of the four teams as shown in Table 1. Teams should be arranged around a central trading area where trading will take place.

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* See page 155 of this teacher supplement.

** See pages 157 and 159 of this teacher supplement.

Teacher Supplement 2

Table 1

Parts	Team			
	1	2	3	4
Boxes	17	17	1	1
Wheels	68	4	68	4
Hoops	68	4	4	68
Covers	1	17	17	1
Axles	2	34	2	34
Tongues	1	1	17	17

Introduction. Briefly discuss the history of pioneer trade beginning with earliest times when each family was for the most part self-sufficient. Discuss how, over time, families began to specialize in doing things they could do best and trading the things they grew or made to others for all the other things they needed.

Having some but not all the parts you need to build a wagon is something like the early pioneers who had some but not all of the things they needed for a good life. If you can find someone who has the parts that you need, and if you have some parts they need, you can trade parts so both will have all the parts needed to build a wagon. The objective of this simulation is for each team to trade parts with other teams so they may build as many wagons as possible for the long trip West. The team with the longest wagon train (the most completed wagons) at the end of the simulation period will be the winning team. Incomplete wagons do not count for anything as they could not make the trip West. (All teams will have more completed wagons after trading than they had at the start, so there are no losers.)

Directions. Give the teams 15 minutes to trade parts with other teams. The traders will take excess parts into the trading area to trade for needed parts. In a classroom setting traders may be limited to one per team. The wagon master and bookkeeper keep up with surplus and needed parts. Wagon makers assemble wagon parts in completed wagons.

Supervise the trading. Suggest trades with comments such as: "Why don't you trade some of your wheels to someone to get some hoops?" "You can trade more than one wheel to get a wagon box if you want to." "How about trading your axles and tongues to Team 2 because they have the covers you need and they need both your axles and tongues?" Also, remind the teams of the time left and the fact that incomplete wagons do not count.

Have teams line up their wagon trains—let them determine the winner. Point out there are no losers. All teams will have more than the one wagon they had at the start.

Teacher Supplement 2

Summary statement. Summarize the simulation. Stress the basic concepts: If you have something someone else wants and they have something you want, you both may be better off if you trade. What you give up in trade is worth less to you than what you get in return; what the other person gives to you was worth less to them than what they got from you. So, you are both better off than before, even though both of you have no more "things" than you had before.

The early pioneers traded for the same reasons. Some people could do some things such as raise crops, raise cattle, etc., better than others. Other people were better at trapping furs, making wagons, shoeing horses, etc., than they were at farming. So, people did what they did best and traded their goods/services to other people for all the things they needed.

Simulation 2—Money/barter

Keep the same teams as in Simulation 1.

Distribute wagon parts to each of the four teams as shown in Table 2. (The number of parts per team may be cut by one-sixth to confuse attempts to hold out for a given share of the total wagons possible or to corner the market.)

Table 2

Parts	Team			
	1	2	3	4
Boxes	1	17	17	1
Wheels	4	68	4	68
Hoops	68	68	4	4
Covers	1	1	17	17
Axles	34	2	34	2
Tongues	17	1	1	17

Introduction. Discuss how American Indians often used beads or shells to make trade easier. Since beads were used for decorative or festive purposes by all, one could trade beads for corn, meat, clothes, or almost anything else. Indians would take beads in trade for the things they produced because they knew they in turn could trade the beads to others for the things they needed. Early settlers often used animal skins in the same way. Since skins or furs have many uses, they were generally accepted in trade by almost anyone. A farmer might accept skins in trade for a cow even if he or she did not need the furs. The farmer knew he or she could trade the skins to the blacksmith to get horses shod, to the miller to get wheat ground, or to the general store to get cloth and salt.

Teacher Supplement 2

Directions. Distribute "skins" or other symbolic money such as shells, beads, etc., to each team for use in this game. Each team should be given 18 skins to use in trade.

The basic difference in comparison with the first game is the "skins." Teams can now trade either parts or "skins" to get the wagon parts they need. When the final count is made, both wagons and skins will be counted to determine the winner. *Six* skins will be equal in value to *one* wagon. A beginning set of "prices" might be suggested to get the trade started between "skins" and wagon parts. For example, boxes, covers, and tongues might trade one each for one skin. Axles might be traded two for each skin. Teams should be allowed to pay more or sell for less than these amounts if they want to. This would only be a starting point. Trading wagon parts and skins would be very similar in nature to the early settlers and Indians who traded among themselves and with each other using beads, shells, furs, etc. The team with the biggest wagon train (most complete wagons) and the most skins (six skins are equal in value to one wagon) will be the winner. (Again, all teams will be better off than when they began, so there will be no losers).

Give the teams 5 minutes to plan their strategy—what they need and how are they going to get it. After the first simulation, they should have experience on which to base their plans.

Give the teams 10 minutes in which to trade parts and/or skins with other teams.

Supervise the trading. Suggest trades if teams do not seem to be catching on to how to use the skins as a way to "buy" parts. Remind teams that six skins are equal in value to one completed wagon. Serve as a messenger if you know that one team needs a part another is trying to sell or vice versa. Remind teams of the amount of trading time remaining.

Ask the teams to line up their wagons and stack up their skins at the lead wagon. Ask for a count of wagons and skins to determine the winner. Point out that all teams are again better off than when they began trading. There are no losers.

Summary statement. If you have something that everyone else will accept in trade, such as the skins in this simulation, it is much easier to trade for the things you want and need. You do not have to find someone who wants what you have to trade, you just find someone who has what you want and give them skins to get what you want. Likewise, you can take skins from people who want what you have even though they do not have anything other than skins you would accept in trade.

This was the way trade developed among the early pioneers. They used skins, salt, cattle, grain, and money to make trade easier. The ideal money was something almost everyone used or needed, something that would not spoil or lose its usefulness over time, something that was easy to move from one location to another. The key was that if something once became generally accepted among a large number of people, then it was good money. This money became the standard of value, as in our game, the value of each part could be stated in terms of how many skins they were worth. Skins were also a way to store value, as the farmer might trade crops at harvest time for skins that could be used to buy salt, fish, meat, etc., needed throughout the winter.

Teacher Supplement 2

Have students complete Part A, Simulation 2, of Teacher Supplement 3.

Simulation 3—Money

Keep the same teams as in Simulations 1 and 2.

Sort wagon parts and set up a "Wagons Inc." supply store. Only parts of wagons will be sold and each part is to be priced separately (see Table 3). The instructor will run the wagon supply store. (The number of total possible complete wagons may be changed once again, either up or down, to confuse any attempt to corner the market.)

Table 3

Parts	Suggested price
Boxes	$4.00 ea.
Wheels	$1.00 ea.
Hoops	$1.00 ea.
Covers	$2.00 ea.
Axles	$1.00 ea.
Tongues (w/pins)	$2.00 ea.

Introduction. Over time, precious metals such as silver and gold became used as money in place of skins, beads, etc. These metals were relatively scarce but they were widely used in decorations, jewelry, and trinkets. They were almost indestructible, so they would not deteriorate over time. They were acceptable to all types of people on the farms, in towns, and in the cities. The major problems were in determining the weight and purity of these metals. To help with this problem, the government began to mint coins that were a standard weight and purity. Anyone trading these coins would know immediately the true weight and purity of the metal they were trading.

The first paper money represented promises to pay in silver or gold upon demand. In a sense, the first paper money was an IOU for gold and silver. For each dollar of paper money issued by the government, there was a dollar's worth of gold or silver in a bank vault somewhere to back it up. The paper money of today is likewise an IOU that may represent any type of good or service, not just gold or silver. The government's current responsibility is simply to maintain the value of the dollar. A dollar is really worth whatever it will buy. As long as people accept dollars in trade, dollars are "good" money.

Directions. Distribute play money to each team. Each team should receive $144 with which to buy wagon parts from the "Wagons Inc." supply store.

Teacher Supplement 2

Explain that the basic difference between this and the two previous simulations is that teams can now use money to buy the wagon parts they need for their wagon trains. They may still trade parts they have purchased with other teams for either money or other parts. Also, the teams begin with no wagon parts. They only have paper money—no wagon parts.

The object of the simulation, as before, is to get the longest wagon train for the trip West. But, this time, the final count will be made in terms of "dollars" rather than wagons. Each wagon will be worth $20 dollars in the final count. The winning team will be the one that has the greatest dollar value at the end of trading, counting both wagons and play money.

Give the teams 5 minutes to plan their strategy at the beginning.

Require that teams take turns in buying from the "Wagons Inc." supply store. Each team will be allowed to purchase up to $65 in parts at any one time. This will allow each team to have an equal opportunity to purchase and build wagons. Buying will continue until all wagon parts or monies are gone. Buying times may be limited to 2 or 3 minutes per team. If the instructor detects an attempt by any team to corner the market on any one part, he or she may reduce the allowable purchases per turn to $30 to $40.

Give the teams up to 5 minutes to buy, sell, or trade any excess parts among themselves.

Supervise the trading.

Ask teams to line up their wagons and count their money to determine the total dollar value of their wagon trains and play money. Each wagon will count $20. Incomplete wagons do not count.

Summary statement. People gain by trading. In a fair trade, both people are better off after the trade than before even though they have the same total things as before. Trade allows people to specialize in doing the things they do best. Money, including the skins and beads of early Americans, simply made it easier to trade. A person would trade for skins if the person with whom he or she was trading did not have anything else he or she wanted. Those skins could then be traded to someone else to get the things needed. The skins also served as a *store of value*, as they could be saved over a long period of time and traded all at once for a big purchase.

Money in dollars came about to make trade even easier. Dollars made possible buying and selling based on prices as we know them today. But, we are still just trading in much the same sense as the early pioneers. We just sell the things we value less to buy the things we value more. We trade but use money to make the trade easier. The money we have today is not backed by gold or silver in any specific amount. But, we accept money because we know we can trade it for other things we want. So, our money is worth whatever it will buy. It has no value in and of itself. Money is just a substitute for things. Money is a good store of value so long as it is not worth less in the future than it is today. The government has taken the responsibility of maintaining the value of money. Money will have value so long—and only so long—as people accept it in trade for things.

Teacher Supplement 2

Part B: Prices, Markets, and Value

Materials needed:

1. Wagon parts
   - 36 boxes
   - 32 tongues
   - 56 axles
   - 28 covers
   - 96 hoops
   - 80 wheels
2. $800 in play money in denominations of $20, $10, $5, and $1.
3. Boxes for distribution of wagon parts
4. Black board, posterboard, overhead projector, or some other means of posting market prices

Divide the total group into four teams. Teams should not be the same as in the previous simulations. Team sizes from 4 to 10 can probably be expected to conduct the simulation effectively at one time.

Distribute wagon parts to each team in boxes to conceal the number of parts given to each team. Do not tell the teams how many parts have been distributed. Teams may be told there are not enough of some parts to complete all wagons. Distribute the parts as shown in Table 4.

Table 4

Parts	**Team**			
	1	**2**	**3**	**4**
Boxes	14	4	14	4
Wheels	36	4	36	4
Hoops	4	44	4	44
Covers	12	12	2	2
Axles	4	4	24	24
Tongues	3	13	3	13

Teacher Supplement 2

Distribute $200 per team in play money to use to buy and sell parts.

Introduction. Anything is said to have an economic value if it is not free. Air is valuable, but in most cases air has no economic value because it is free. Candy, on the other hand, might be considered much less important than air, but candy has a greater economic value than air because it is not free. Someone has to pay for the candy—even for the candy that kids get for free on Halloween. Whether or not something has an economic value is determined by whether or not it is scarce. Anything is scarce if there is not enough of it for people to have all they want of it without paying for it or trading something for it. Air would become very valuable if you were locked in an airtight box. You would pay anything you have to get out of the box so you could get more air. The air that was free on the outside becomes scarce in the airtight box. The fact that the air is scarce makes it valuable. The scarcer something is, the greater will be its economic value.

Scarcity is determined by two things: (1) how much of something is available and (2) how much people want it. Gold is scarcer than water simply because there is more water than gold in the world. If there were only one gallon of water and one gallon of gold left in the whole world, the water would be much more valuable than gold. We have to have water to live before we can enjoy the gold. But since there is plenty of water for everyone to live, and gold is very rare, gold is scarcer and, thus, is more valuable.

Things may be scarcer also because we want them more than other things. For example, you probably eat a lot more ice cream, cookies, cakes, and other desserts than spinach. So, at your house, there may be dozens of cookies and a gallon of ice cream and only one little package of frozen spinach. But, you like dessert better than spinach. So, since there is more spinach than you want, it is not scarce. Even though there is more ice cream than spinach, there is still not as much as you want. So ice cream is scarce, spinach is not, even though there is more ice cream than spinach.

Economists use the word *supply* to talk about how much of something is available and use the word *demand* to talk about how much of something people want. They measure the economic value of things by *prices*. So, when economists say supply and demand for something determines its price, they are really saying how scarce something is determines its economic value.

Directions. The objective for this simulation is the same as for the previous simulations. The team with the most wagons and dollars at the end of the trading is the winner. Differences are that this time they have both parts and money to trade, the final value of the wagons will be determined by their market value at the end of the trading, and teams do not know how many complete wagons can be made or which parts are scarcest.

Ask each team to choose a wagon master, an accountant, and at least two traders—one to sell excess parts and another to buy needed parts.

Give the teams 5 minutes to plan their strategy based on the parts they have to trade and what they need to buy or trade for.

Teacher Supplement 2

Ask the teams to keep track of how much they have to pay for various wagon parts. The accountant should keep track of this on a piece of paper.

Arrange the teams around a central trading area with only buyers and sellers in the central area during trading periods.

Begin the trading activity. Interrupt trading at 5-minute intervals for a market report. Buyers and sellers must return to home base. The instructor will act as the market recorder/reporter. A black board or poster should be set up as a market report board (as shown in Table 5) so all teams may see the prices of trades and offers to buy and sell.

Table 5

Parts	Suggested price	Wagon market prices				
		Period				
		1	2	3	4	Final
Boxes	$4	______	______	______	______	______
Wheels	$1	______	______	______	______	______
Hoops	$1	______	______	______	______	______
Covers	$2	______	______	______	______	______
Axles	$1	______	______	______	______	______
Tongues	$2	______	______	______	______	______
Complete wagons	$20	______	______	______	______	______

Recent prices or price ranges should be recorded on the market report board. If there have been no recent trades, current offers to buy or asking prices on parts for sale may be placed on the board. Point out to teams that they may want to buy and/or sell entire wagons if they think they can buy them cheaper than their value will be at the end of the game, or if they can sell them for more than they think they will be worth later in the game or at the end. There is no set value on complete wagons in this game. (Do not erase the reported prices.) Suggested prices are only to provide a starting point. Teams are encouraged to buy as cheaply as they can and sell for as much as they can.

Resume trading after prices are recorded for another 5-minute period. Interrupt trading again and record current prices in the same way as before. (Again, keep reported prices for later reference.)

Allow one more 5-minute trading period followed by a price report. Trading periods may be reduced or extended in number. Trade should be continued only until trading nearly slows to a standstill.

Teacher Supplement 2

Give teams a final 5-minute period to finish their trading. At the end of this final period, the prices reported will be those on which the final results will be calculated. Completed wagons will be valued at whatever price they are trading at the end of the game. Teams may be allowed to call out their offering and asking prices during this last session to make the final price changes known to all more quickly.

Ask teams to count their money and place the correct market value on their wagons at the end of the final session. This will determine the winner of the game. Bid and asked prices may have to be averaged to get a final wagon value. There will be no losers. All will be better off than when they began.

Summary statement. A *market* may be defined in many ways. In the broadest sense, it is a meeting of supply and demand. By playing the Wagon Masters simulation, students have experienced a market—that is more important than defining it. Some parts were scarcer than others because fewer were available (the supply was smaller). Some were scarcer than others because it takes more of them to build a wagon (the demand was greater). The game provided the incentive to make wagons, and the money made the trade easier. Trade was necessary for the teams to find out which parts were scarcest. The prices were simply a way to measure in dollars which parts were scarcer. Parts that were not scarce ultimately had no value.

This is the way markets work in the real world. The value of things is determined by their scarcity—that is by their supply relative to their demand. Prices are simply a measurement of the scarcity of things. Things that are scarcer have a higher price and things that are less scarce have a lower price. A basic difference between the Wagon Master simulation and the real world is the size of the market. In the simulation, with 15 to 20 players, each person has an important impact on prices by his or her actions in buying and selling. In the real world, thousands or millions or billions of people are buying and selling things. So, each person has such a small influence on prices. But, the same principles of scarcity and economic value still apply even in the world economy. If the actions of millions of people cause something to become scarcer, its price will rise. If the actions of millions of people cause something to become less scarce, its economic value and its price will fall.

Have students complete Part B of Teacher Supplement 3.

Part C: Inflation—Causes and Remedies

Materials needed:

Wagon parts

- 36 complete wagons, disassembled as in the money simulations
- $1600 in play money in denominations of $20, $10, $5, and $1
- Boxes for distribution of parts
- Black board or poster for recording prices

Teacher Supplement 2

Simulation 1—Inflation—causes

Keep the teams established for the prices, markets, and value simulation because this simulation builds on the pricing concepts and results found in the previous simulation.

Distribute wagon parts in boxes to conceal the number of pieces each team receives. Distribute the parts as shown in Table 6. (You will have the same number of wagons possible as in the previous simulation, but the wheels and axles have traded positions in degree of scarcity.)

Table 6

Parts	**Team**			
	4	**1**	**2**	**3**
Boxes	14	4	14	4
Wheels	16	16	40	40
Hoops	4	44	4	44
Covers	12	12	2	2
Axles	18	2	18	2
Tongues	3	13	3	13

Give the teams twice as much money as in the previous simulation—$400 per team in play money.

Withhold discussion on the basic concepts of inflation until the end of trading. Discussion will be much more meaningful at that time.

Conduct this simulation in the same way as in the previous simulation. (In fact, care should be taken to keep things as close to being the same as possible—except that there is twice as much money.)

Give the teams 5 minutes to plan their strategy.

Follow the first 5 minutes of trading with a price report.

Follow the second 5 minutes of trading with a price report. Since teams now have experience at these simulations, they may not need as many trading periods as before to establish a situation where they are no longer willing to trade. At the point where practically all possible wagons have been built—20 possible in this case—allow 5 final minutes of trading, and then complete the simulation with a final price report. In this case, the price of all but the new scarcest part will approach zero. The price of the completed wagons will likely approach $400.

Teacher Supplement 2

Ask teams to count their money and place the correct market value on completed wagons based on the final wagon-price report. Again, the winners will be the team with the greatest total dollar value of wagons and play money. There will be no losers.

Summary statement. More money with no more things to buy causes prices to go up. More money does not make anyone better off if there are no more things to buy with the money. Money is simply a substitute for things. More money makes the money itself less valuable.

The basic cause of price inflation is that increases in the amount of money are often greater than increases in the amount of things that are available to buy with that money. If we have twice as much money to spend on the same amount of things, we can expect the prices of those things to go up. If we spend all of that larger amount of money on the same things, prices would double. But, twice as many dollars in circulation may not result in exactly twice as many dollars spent in any given time period. We always have money left in circulation, and we may spend the same money many times in a given time period. But, the more money in circulation—without any more things to buy—will generally lead to inflation.

Why are we concerned about inflation if it does not change anything? Money that has been saved will buy less in the future if prices are inflated. People who have retired on fixed incomes or those who are not guaranteed that salaries will keep pace with inflation will not be able to maintain their buying power. Expectations of inflation in the future cause people to spend now rather than save. Savings are necessary for investments that will increase production of things to buy in the future. More spending and less saving may cause inflation rates to increase. So, inflation today may cause even greater inflation in the future. There is a possibility that inflation will become so great that people (including foreign investors who play a significant part in funding U.S. Treasury options) will lose confidence in our economy and our money will become worthless. This could cause our whole system of production and trade to fail. The result could be a major depression with large numbers of people unemployed and a greatly reduced standard of living.

Have students complete Part C, Simulation 1, of Teacher Supplement 3.

Simulation 2—Inflation—remedies

Keep the same teams as in the inflation—causes simulation.

Distribute wagon parts to each team. This time all wagon parts will be distributed as shown in Table 7 on the next page.

Teacher Supplement 2

Table 7

Parts	Team			
	1	2	3	4
Boxes	1	1	17	17
Wheels	68	4	68	4
Hoops	4	68	68	4
Covers	17	1	1	17
Axles	2	34	2	34
Tongues	17	17	1	1

Distribute $200 to each team. This will be half as much money as in the inflation—causes simulation.

Teams should not be told they can complete more wagons in this simulation than in the previous simulation. They may think the only difference in the simulations is that they are using less money. The objectives of the simulation are the same as in the previous simulations—the winning team is the one with the greatest value at the end of trading.

Conduct as many trading and price-reporting sessions as necessary to get the wagon parts redistributed and to get as many wagons built as possible—36 in this case.

Call the trading to a close; count wagons and money to determine the winner.

Compare price reports in this game to those in the inflation—causes simulation and the simulation in Part B.

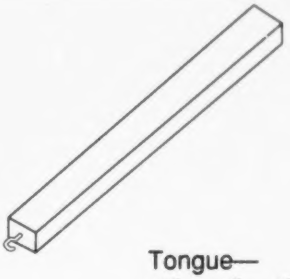
Summary statement. Lower prices may result when less money is available for the same things. Compare the final wagon prices in this simulation with those in the inflation—causes simulation, where there was twice as much money to spend. Lower prices may also be brought about by increasing the amount of things available to buy with the same amount of money. Compare prices for trading periods 2, 3, and 4 from the simulation in Part B and this simulation, where the only difference was the greater number of parts, which allowed more wagons to be built. There are two ways of combatting inflation: (1) to reduce the total supply of money, which is under control of the government, or (2) to increase the amount of goods/services produced and thus available for purchase.

Having more money does not do us any good if we do not have more or better things on which to spend our money. On the other hand, we could be better off even with less money if we have more or better goods/services and, as a result, prices were lower. Increases and decreases in overall price levels affect different people in different ways. Some may gain benefits from price increases while others lose. So, as a society, we cannot agree on how much inflation we will accept or how to control it. But, a better understanding among all people of money, prices, and inflation will lead to better economic decisions in the future.

Have students complete Part C, Simulation 2, of Teacher Supplement 3.

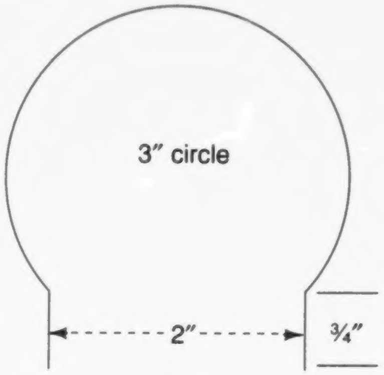
Simulations adapted and reprinted with permission of Oklahoma State University, Cooperative Extension Service.

Teacher Supplement 2

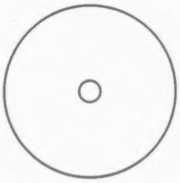


Screw eye—open slightly for attaching to wagon box

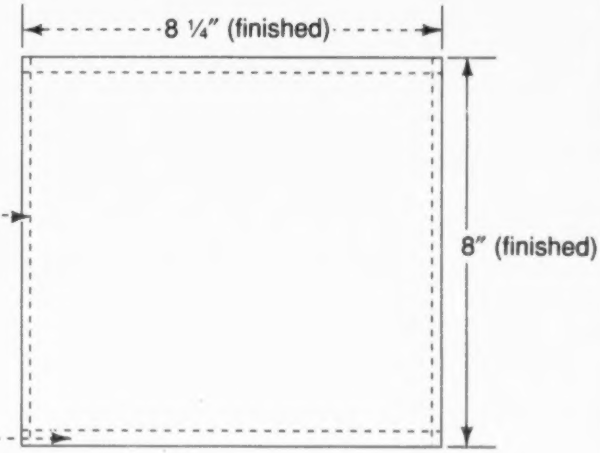
Tongue—½″ x ¾″ x 4″



Hoop—made from ⅛″ wire



Wheel—2 ¼″ circle cut from ¼″ plywood, ¼″ hole in center for axle



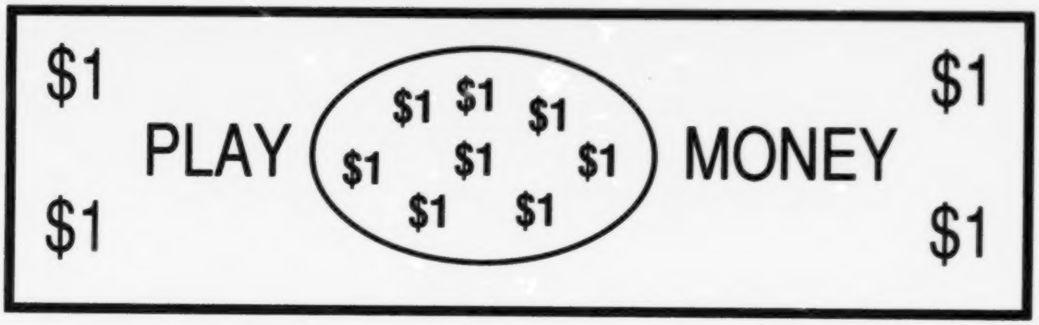
¼″ hem (Sew this hem first.)

½″ hem (Elastic goes through this hem.)

Axle—¼″ dowell 3½″ long

Cover—made from muslin. (These sizes are only approximate. Size, shape, and set of hoops for your wagons may be such that cover size needs to be changed. Make covers to fit your wagons.)

Teacher Supplement 2


$1
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PLAY
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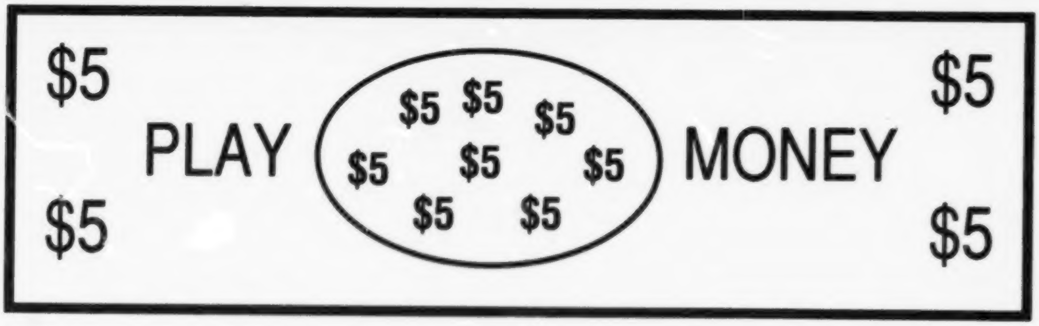
$1 $1 $1
$1 $1
MONEY
$1
$1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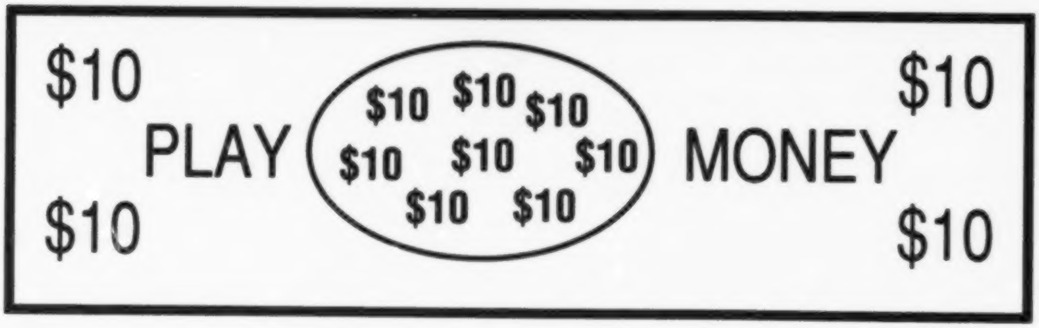
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MONEY
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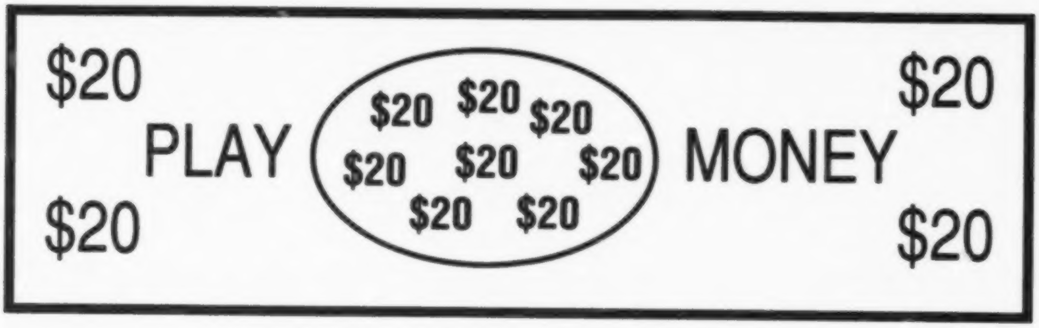
$10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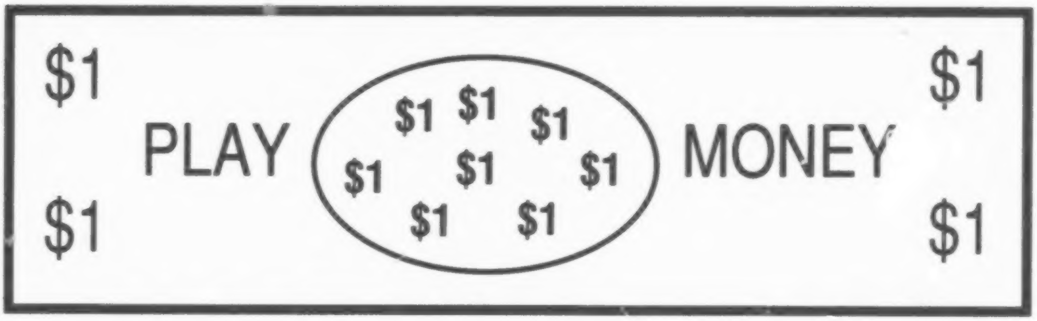
Teacher Supplement 2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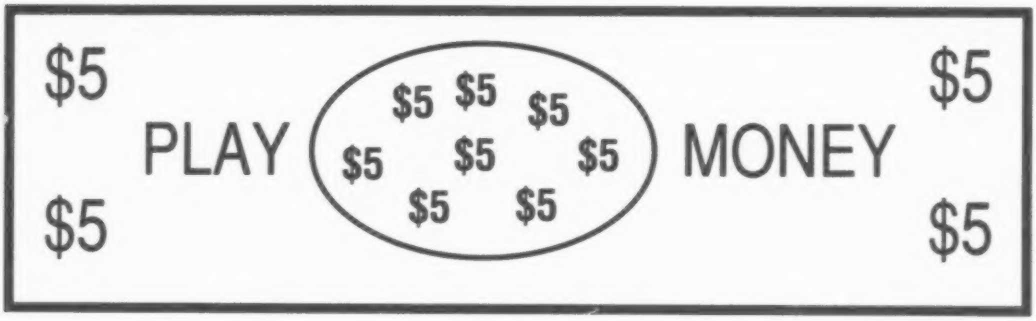
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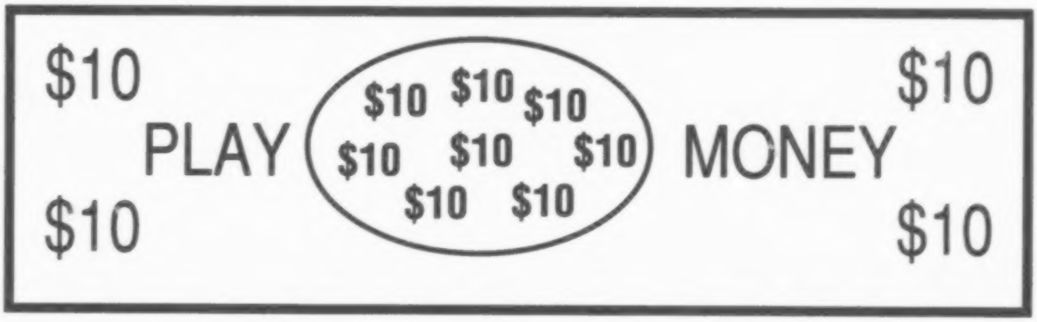
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MONEY
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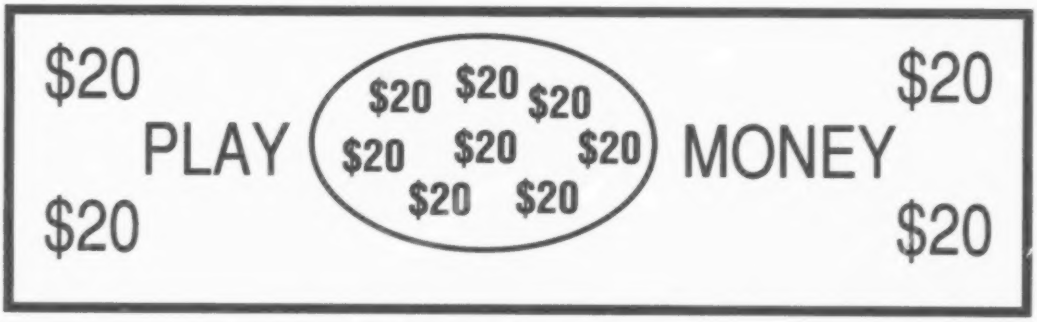
$10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MONEY
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International Economics and Finance
Unit 3

Teacher Supplement 3—Analyze Simulations on Basic Economic and Financial Concepts

Name ______________________________

Introduction

After completing the Wagon Master simulations, you should have experienced a variety of economic and financial terms such as *trade, money, supply* and *demand,* and *inflation* and *deflation.* In this exercise, you will be asked to answer questions concerning the events that took place during the simulations.

Directions

Answer each of the following questions pertaining to the wagon master simulations.

Part A

The Meaning of Money

Simulation 1—Barter

1. What would have happened if your team had decided *not* to trade away any of its parts?

____

____

____

2. How did you decide how many parts you would be willing to trade away to get another part you needed?

____

____

____

3. What did you learn about trading things with other people?

____

____

____

Teacher Supplement 3

4. Was it possible to build any wagons without trading? Circle the correct response below.

Yes No

5. What would have made obtaining wagon parts easier in this simulation?

Simulation 2—Money/barter

1. How was this simulation different from Simulation 1?

2. In this simulation, was it easier or harder to get the parts you needed? Why?

3. How many skins did you have to pay to get wheels, hoops, boxes, axles, etc.?

4. Was everyone willing to take the extra parts, or did you have to find someone who needed that particular part?

____

____

____

____

5. In your group, did skins become as important as wagon parts? Why or why not?

____

____

____

____

Simulation 3—Money

1. How was using money different from using skins?

____

____

____

____

2. In this simulation, was it easier or harder to get the wagon parts you needed? Why?

____

____

____

____

Teacher Supplement 3

3. Was it easier to begin the simulation with only wagon parts as in the first two simulations, or was it easier with only money? Why?

4. Why were you able to trade paper money for real wagon parts?

5. Why do you suppose completed wagons were worth more than the total cost of the parts needed to build a wagon?

6. If you could take home either a $20 bill in play money or a completed wagon, which would you choose? Why? (The money will not be worth anything after the simulation is over.)

Teacher Supplement 3

Part B

Prices, Markets, and Value

1. Why did the prices of some pieces go up and the prices of others go down?

2. Which pieces were left over at the end of the trading, and how much were these pieces worth?

3. How did you decide how much you could pay for a particular part? For a completed wagon?

4. How did you decide how much to ask?

5. Did you end up with more than you had when you started? Why?

Part C

Inflation—Causes and Remedies

Simulation 1—Inflation—causes

1. If the wagons were identical to those in the prices, markets, and value simulation, why did prices climb in this simulation?

2. List other differences you noticed between this simulation and the prices, markets, and value simulation. Why do you think these differences occurred?

Simulation 2—Inflation—remedies

1. Relative prices for parts were different in this simulation than in any of the other simulations. Why?

Teacher Supplement 3

2. There were more completed wagons in this simulation even though there was less money to trade. Why?

____

____

____

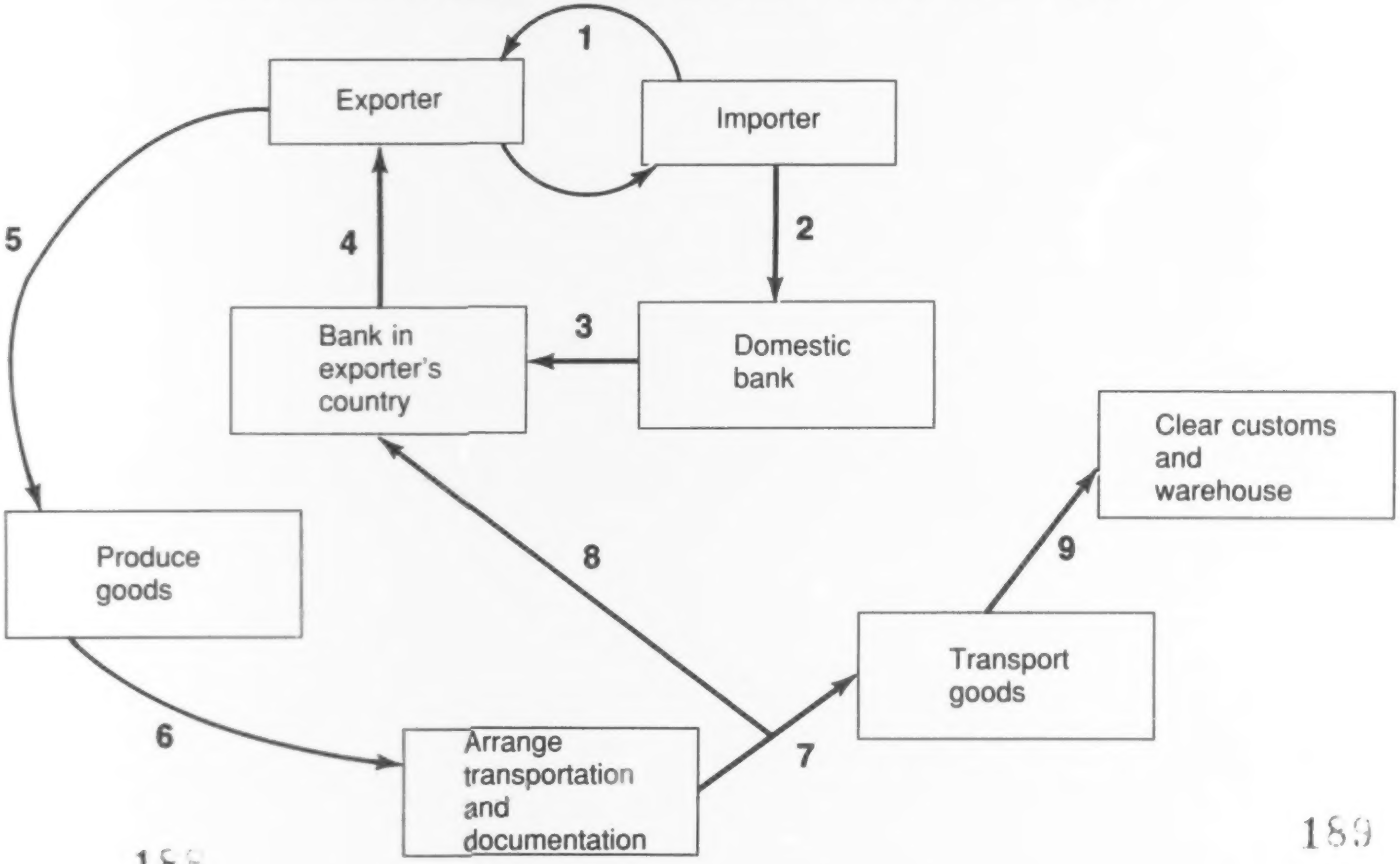
____

Permission to duplicate this teacher supplement is granted.

Sample Exchange Rates

Country	**Currency**					
	Dollar	Pound	SFranc	Guilder	Yen	Mark
Germany	1.4810	2.8376	1.1258	.88656	.01169	
Japan	126.70	242.76	96.313	75.846		85.550
the Netherlands	1.6705	3.2007	1.2699		.01318	1.1280
Switzerland	1.3155	2.5205		.78749	.01038	.88825
U.K.	.52192		.39675	.31243	.00412	.35241
U.S.		1.9160	.76017	.59862	.00789	.67522

Steps in a Typical International Financial Transaction


1
Exporter
Importer
2
Domestic bank
3
Bank in exporter's country
4
5
Produce goods
6
Arrange transportation and documentation
7
Transport goods
8
9
Clear customs and warehouse

Introduction to International Trade, Unit 3
Teacher Page 171

TM 2

Import/Export Basics
Unit 4

Suggested Activities

Instructional plan

Preparation

- Review unit and plan presentation. Study the specific objectives to determine the order in which you will present the objectives.

  Review the unit introduction and teaching suggestions included in the delivery and application section below and plan classroom activities. Also note suggestions for media and supplemental materials.

  Plan presentation to take advantage of student learning styles and to accommodate special-needs students.

- Obtain films, videotapes, and other media to supplement instruction of this unit.

- Make transparencies from the transparency masters included in the teacher pages for this unit.

- Review Assignment Sheet 4, "Analyze a Local Business' Export Transaction," and Assignment Sheet 5, "Analyze a Local Business' Import Transaction." These assignments ask students to interview local business representatives as information resources. You should contact businesses in the area before making these assignments, ask cooperation from the business personnel who will likely be affected, and allow them to prepare the information requested on the interview form used in each assignment.

  Prepare other resources students will need to complete these assignments. See the resources list in Student Supplement 3.

- Review Assignment Sheet 6, "Plan an Export Sale." Study the scenario presented and collect the information on their assigned nations that students gathered in completing the assignment sheets in Units 2 and 3.

- Review Assignment Sheet 7, "Analyze Current Events Concerning Issues Relevant to Import/Export Procedures and Documentation." This assignment will become part of the student's personal portfolio. Review format guidelines you have established for the student portfolio.

Suggested Activities

- Select teacher components (written test, unit evaluation form) you want to distribute to your students. Copy and prepare these components for distribution.

- Prepare classroom. Put up posters and charts and display articles and other references related to the objectives of this unit.

Delivery and application

Unit introduction

- Have students locate the objective sheet. Discuss unit and specific objectives.

Teaching suggestions

The skill areas appearing in bold-face type in the teaching suggestions refer to the academic and workplace skills identified by the American Society of Training and Development (ASTD) and the U.S. Department of Labor. These have been adapted by MAVCC.

Objective 1 Define the terms *import* and *export*.

- Read with students the definitions of the terms as presented in the information sheet. Also, define for students the terms *importer* and *exporter*. An *importer* is a buyer who brings in goods/services from a country outside his or her own. An *exporter* is a seller of domestically produced goods/services to an importer in a country outside his or her own. Discuss the term *domestically produced*. **(Reading/listening for content; applying technical terms)**

Objective 2 Discuss reasons domestic businesses import goods/services. **Objective 3** Discuss reasons domestic businesses export goods/services.

- Read and discuss with students the information presented in these two sections of the information sheet. Be certain that students understand the terms *authenticity, conspicuous consumption, economic efficiency,* and *compensation for seasonality*. **(Reading/listening for content; applying technical terms)**

- Compare the information presented in these objectives to the information presented in Objective 3 of the information sheet and in Teacher Supplement 2, "Why Is International Trade Important," of Unit 2, "International Trade Regions." The information in Unit 2 discusses the importance of international trade to consumers and their nations. Help students see how the importing/exporting activities of individual businesses affect all consumers and their nations. **(Reading/listening for content; learning to learn by applying knowledge to other situations)**

Objective 4 Define types of import/export transactions. **Objective 5** Match to their correct definitions types of businesses commonly employed in indirect import/export transactions.

- Read and discuss with students the information presented in Objective 4. Elaborate on the notes under each of the definitions in Objective 4 so that students will understand the benefits of each type of transaction. **(Reading/listening for content)**

- Then, read and discuss with students the information presented in Objective 5. Make sure students can distinguish among the types of businesses discussed.

  Show students articles or company pamphlets describing the services offered by each of these types of businesses. **(Reading/listening for information; learning how to learn)**

Objective 6 Match to their correct definitions types of risks involved in import/export transactions.

- Read and discuss with students the information presented in the information sheet. Emphasize the note appearing just under the heading for the objective. Give students examples that illustrate that actually all risks are economic, even though they have been divided into two groups here for purposes of discussion. **(Reading/listening for content; applying technical terms)**

- Discuss with students current events that illustrate the risks that can be encountered in conducting import/export transactions. **(Listening for content; applying knowledge to other situations)**

- Have students locate Assignment Sheet 1, "Analyze Import/Export Scenarios to Determine Type of Risk Described." Read with students the introduction and directions to the assignment and have students complete the assignment. Then, in class, read the scenarios and call upon students to give their answers and reasoning behind why they selected those answers. **(Reading/listening for direction; communicating a thought in spoken form)**

Objective 7 Match to their correct descriptions terms of sale used in import/export transactions. **Objective 8** Define the categories of import/export documentation. **Objective 9** Match to their correct definitions commonly used import/export documents. **Objective 10** Arrange in order the steps in a typical export transaction. **Objective 11** Arrange in order the steps in a typical import transaction.

- Read and discuss with students the information presented under each of these objectives in the information sheet. Lead a discussion in which you help students see that the various procedures and documents discussed in these objectives have been developed over the years to help importers and exporters eliminate the risks discussed in Objective 6. Then, go back and discuss each of the objectives in more depth. **(Reading/listening for content)**

- Discuss in depth each of the terms of sale (incoterms) discussed in Objective 7. Use Transparency 1, "Terms of Sale," and the figure in the information sheet to help illustrate this discussion and help students to visualize the logical progression shown in how these documents are used by exporters and importers. **(Listening for content; applying technical terms)**

- Have students locate Assignment Sheet 2, "Analyze Import/Export Scenarios to Determine Type of Incoterm Described." Read with students the introduction and directions to the assignment. Have students complete Assignment Sheet 2. Then, read the scenarios in class and call upon students to read their answers and explain their reasoning for selecting those answers. **(Reading/listening for direction; communicating a thought in spoken form in a clear, concise manner)**

- Discuss in depth the information presented in Objectives 8 and 9 of the information sheet. Have students locate and use the sample documents presented in Student Supplement 1 to help illustrate your discussion. Emphasize that the documents presented in the information sheet and the student supplement are only the most commonly used documents. Actually, there are about 120 various documents used in import/export transactions. Collect

Suggested Activities

additional forms used in international trade, display forms, and discuss their special uses. **(Reading/listening for content)**

- Have students locate Assignment Sheet 3, "Interpret Import/Export Documents." Read with students the introduction and directions to the assignment. Have students complete Assignment Sheet 3. **(Reading/listening for direction)**

- Discuss in depth the information presented in Objectives 10 and 11. Use Transparencies 2 and 3 and the figures in the information sheet to help illustrate your discussion. **(Reading/listening for content)**

- Have students locate Student Supplement 2, "Documentation Flowchart," and discuss the procedure and documentation presented on the chart. Use Transparency 4 to help illustrate this discussion. **(Reading/listening for content)**

- Have students locate Assignment Sheet 4, "Analyze a Local Business' Export Transaction," and Student Supplement 3, "Resources Used in Import/Export Transactions." Read and discuss with students the introduction and directions to the assignment. Make group assignments and discuss procedures for contacting and working with the business representatives students will meet in completing the assignment. Also, discuss the interview outline that is presented in the assignment sheet and the guidelines for both the verbal and visual parts of the group presentation. Have students complete Assignment Sheet 4. **(Reading/listening for content; reading/listening for direction)**

- Have students locate Assignment Sheet 5, "Analyze a Local Business' Import Transaction." Read and discuss with students the introduction and directions to the assignment. Make group assignments and discuss procedures for contacting and working with the business representatives students will meet in completing the assignment. Also, discuss the interview outline that is presented in the assignment sheet and the guidelines for both the verbal and visual parts of the group presentation. Have students complete Assignment Sheet 5.

Suggested Activities

- Have students locate Assignment Sheet 6, "Plan an Export Sale." Read and discuss with students the introduction and directions to the assignment. Emphasize to students that in completing this assignment they will plan an entire process for making an export sale for the scenario described in the assignment.

  Read and discuss with students the scenario presented in the assignment. Discuss that in completing the assignment students will refer to all the student supplements in this unit and use the information they have collected on their assigned nations in Units 2 and 3.

  Discuss guidelines for the completed essay, and have students complete Assignment Sheet 6. **(Reading/listening for content; reading/listening for direction)**

- Have students locate Assignment Sheet 7, "Analyze Current Events Concerning Issues Relevant to Import/Export Procedures and Documentation." Explain to students that this assignment is a portfolio assignment that will follow the guidelines you established for the portfolio in Unit 1.

  Read with students the introduction and directions to the assignment, answer student questions, and have students complete Assignment Sheet 7. **(Reading/listening for content; reading/listening for direction)**

Evaluation

- Evaluate assignment sheets. See the evaluation criteria listed at the top of each assignment sheet as well as the teacher page "Answers to Assignment Sheets."
- Give written test. See the teacher page "Written Test."
- Evaluate written test. See the teacher page "Answers to Written Test."
- Compile written-test and assignment-sheet scores. See the teacher page "Unit Evaluation Form."
- Reteach and retest as required.

Suggested Activities

Suggested resources

Resources used in developing this unit

Print media

- *A Basic Guide to Exporting*. Washington, D.C.: U.S. Department of Commerce, 1992.
- Bennett, Peter D. *Marketing*. New York: McGraw-Hill, Inc., 1988.
- Cassell, Clark C. *The World Is Your Market, An Export Guide for Small Business*. Washington, D.C.: Braddock Communications, 1990.
- Daniels, John D., and Lee H. Radebaugh. *International Business Environments and Operations*. Reading, MA: Addison-Wesley Publishing Company, 1989.
- *Export Management Specialist: A Training Program*. Stillwater, OK: Curriculum and Instructional Materials Center, Oklahoma Department of Vocational and Technical Education, 1991.
- *Incoterms*. Paris: International Chamber of Commerce Publishing SA, 1987.
- Kruzel, Sandra L., and Frank Reynolds. *Import/Export Procedures*. Cincinnati, OH: South-Western Publishing Company, 1992.
- Letters of credit. Denver, CO: National Bank of Denver, International Department, n.d.
- Nelson, Carl A. *Import/Export—How to Get Started in International Trade*. Blude Ridge Summit, PA: TAB BOOKS, Inc., 1990.
- Weiss, Kenneth D. *Building an Import/Export Business*. New York: John Wiley & Sons, Inc., 1987.

Suggested supplemental resources

Print media

- *Comparison Shopping Service*. Washington, D.C.: U.S. Department of Commerce. (Contact your state office.)

Suggested Activities

- *Competitive Assessments.* Washington, D.C.: U.S. Department of Commerce. (Contact your state office.)
- *Country Information Kits.* Overseas Private Investment Corporation (OPIC), 7th Floor, 1129 20th Street, N.W., Washington, D.C. 20527. Phone (202) 457-7010.
- *Foreign Trade Report: Monthly Exports and Imports—SITC Commodity by Country.* Washington, D.C.: U.S. Department of Commerce. (Contact your state office.)

Import/Export Basics
Unit 4

Answers to Assignment Sheets

Assignment Sheet 1 Student performance should be evaluated according to the criteria listed on the assignment sheet. Individual items on the assignment sheet should be evaluated using the information below.

1. Sovereign-action
2. Sovereign-action
3. Documentary
4. Foreign-exchange
5. Commercial-credit

Assignment Sheet 2 Student performance should be evaluated according to the criteria listed on the assignment sheet. Individual items on the assignment sheet should be evaluated using the information below.

1. Ex works
2. FOB
3. Ex ship
4. Delivered duty paid
5. FAS
6. FOB
7. Ex quay
8. The grower's responsibility ends and yours begins after the bulbs are delivered to the airport and before they are loaded on the airplane
9. C&F
10. Free carrier

Assignment Sheet 3 Student performance should be evaluated according to the criteria listed on the assignment sheet. Individual items on the assignment sheet should be evaluated using the information below.

1. a. $1,100
   b. U.S. dollars
   c. $1,250

2. a. 25,000 U.S. dollars
   b. 5000 pine logs, whole 8 to 12 feet
   c. June 2, 1994
   d. Commercial invoice, bill of lading, packing list (in any order)
   e. June 23, 1994

Answers to Assignment Sheets

3. a. 40,000 U.S. dollars
   b. Royal Bank of Scotland
   c. Tulsa Bank
   d. May 14, 1993

4. a. MAREX Trading Corp.
   b. 04/09/93
   c. Two hundred ninety-five thousand six hundred ninety-four and 30/100 U.S. dollars
   d. United States of America

5. a. Oxygen therapy disposable products
   b. Tiberius II
   c. $4,120
   d. June 15, 1993
   e. London, England

Assignment Sheets 4 and 5	Student performance should be evaluated according to the criteria listed on the assignment sheets. Evaluator's note: Group presentations and flowcharts should reflect a working knowledge of the material presented in this unit.
Assignment Sheet 6	Student performance should be evaluated according to the criteria listed on the assignment sheet. Evaluator's note: Student essay should reflect a working knowledge of the material presented in this unit.
Assignment Sheet 7	Student performance should be evaluated according to the criteria listed on the assignment sheet. Evaluator's note: See Teacher Supplement 3 in Unit 1 for evaluation suggestions on the portfolio project.

Import/Export Basics
Unit 4

Answers to Written Test

1. a. To bring in goods/services from a country outside one's own
   b. To sell domestically produced goods/services to a country outside one's own

2. Discussion should include the following.

   a. Import is less expensive than domestically produced goods/services
   b. Import is found or produced only in another part of the world
   c. Import is in demand because of its name or perceived quality, or because it is expensive or relatively rare

3. Discussion should include the following.

   a. Export sales create an increased demand for the goods/services the business produces/provides
   b. Increased demand created by the export sales allows the business to produce more goods with the same capital outlay for equipment, thus lowering the production cost per unit
   c. Export sales keep the business in touch with changing customer needs and in tune with the goods/services competitors are providing
   d. Export sales allow the seasonal business to sell to other nations when the domestic demand is slack

4. a. Import/export transaction in which there are no intermediaries between the importer and the exporter in the distribution of goods/services
   b. Import/export transaction in which the importer and exporter employ a network of businesses or individuals to carry out the routine scheduling and paperwork tasks involved in the distribution of goods/services

5. a. 4
   b. 2
   c. 1
   d. 6
   e. 3
   f. 5

6. a. 1
   b. 5
   c. 2
   d. 3
   e. 4

Answers to Written Test

7.	a.	1	e.	6	i.	9
	b.	2	f.	4	j.	10
	c.	5	g.	7	k.	12
	d.	3	h.	8	l.	11

8. a. Documents dealing with the financial transactions between the importer and the exporter
   b. Documents dealing with the securing and guaranteeing of payment for goods/services
   c. Documents providing instructions for moving goods from the exporter to the importer
   d. Documents providing information required by authorities in either the exporter's or importer's nation

9.	a.	3	e.	15	i.	6	m.	9
	b.	5	f.	1	j.	7	n.	12
	c.	8	g.	4	k.	14	o.	13
	d.	11	h.	2	l.	10	p.	16

10.	a.	2	d.	3	g.	5
	b.	7	e.	1	h.	6
	c.	9	f.	8	i.	4

11.	a.	8	d.	1	g.	3
	b.	9	e.	2	h.	4
	c.	7	f.	6	i.	5

Import/Export Basics
Unit 4

Written Test

Name ______________________________ Score ____________

1. Define the terms *import* and *export*. Write your answers on the blanks provided beside each of the terms below.

   a. Import ____

   ____

   b. Export ____

   ____

2. Discuss reasons domestic businesses import goods/services. Write your answers on the blanks provided beside each of the terms below.

   a. Price ____

   ____

   b. Authenticity or domestic supply ______________________________

   ____

   c. Conspicuous consumption ______________________________

   ____

3. Discuss reasons domestic businesses export goods/services. Write your answers on the blanks provided beside each of the terms below.

   a. Broader market ______________________________________

   ____

   ____

   b. Economic efficiency ______________________________________

   ____

   ____

Written Test

c. Market knowledge ____

____

____

d. Compensation for seasonality in domestic sales _______________________

____

____

4. Define types of import/export transactions. Write your answers on the blanks provided beside each of the terms below.

a. Direct ____

____

____

b. Indirect ____

____

____

5. Match to their correct definitions types of businesses commonly employed in indirect import/export transactions. Write the numbers on the blanks. Definitions continue on the next page.

______a. Business that acts as a market for export goods by selling them on consignment

______b. Business that is hired on commission to handle all of a business' export needs

______c. Individuals or businesses that set up deals on either end of an import/export transaction

______d. Large business that employs specialists who locate markets in their own and other nations

1. Brokers and agents
2. Export management company
3. Export service company
4. Export trading company
5. Export trading cooperative
6. Foreign trading company

______e. Business that is hired to provide only certain export services

______f. Marketing group that is formed by export-oriented businesses that produce/provide similar goods/services

6. Match to their correct definitions types of risks involved in import/export transactions. Write the numbers on the blanks.

______a. Economic loss arising when the importer defaults on payment

______b. Economic loss resulting from the seizure of goods by officials of a foreign government because of improper, incomplete, or inaccurate paperwork

______c. Economic loss arising because of fluctuations in global financial markets

______d. Economic loss resulting from the length of time it takes to transport goods, or loss resulting from physical damage to the goods during transport

______e. Economic loss resulting from political action taken by a government

1. Commercial-credit risk
2. Foreign-exchange risk
3. Transportation risk
4. Sovereign-action risk
5. Documentary risk

7. Match to their correct descriptions terms of sale (incoterms) used in import/export transactions. Write the numbers on the blanks. Terms and descriptions continue on the next two pages.

______a. Exporter is responsible for the goods until they are delivered to and loaded on a freight carrier; the importer assumes responsibility for the goods when they have been loaded on the carrier, and must pay the price specified in the sales contract

______b. Exporter pays the costs of the freight to bring the goods to the port of departure and is responsible for the goods until they are placed on the ship; responsibility for damage or loss is transferred to the importer as soon as the goods are placed on the ship

1. FOR/FOT
2. C&F

Written Test

______c. Exporter is responsible for the goods until they are placed on board a ship; responsibility for the goods shifts from the exporter to the importer as the goods pass the ship's rail

______d. Exporter is responsible for the goods until they are delivered to a freight carrier at a certain named location; from the freight dock, the importer assumes responsibility for the goods

______e. Exporter's only responsibility is to make the goods available at the factory, farm, or mill where they are produced

______f. Exporter is responsible for the goods until they have been placed alongside a ship or on the pier or on the transport boat used to load the ship; the importer assumes responsibility for the goods from the time they are delivered "alongside ship," through loading at the port of departure, transporting, and unloading at the port of destination

______g. Exporter is responsible for the goods until they have arrived within the physical boundaries of the country of destination but transfers responsibility to the importer before the goods pass through customs

______h. Exporter pays the cost of the freight and marine insurance to cover loss or damage during transportation; importer assumes responsibility for the goods at the port of destination as they are unloaded from the ship and is responsible for any charges (other than freight charges) that have been amassed for the shipment while in transit

3. Free carrier
4. FAS
5. FOB
6. Ex works
7. Delivered at frontier
8. CIF

Written Test

______i. Exporter pays all costs incurred in delivering the goods to the port of destination named in the sales contract and is responsible for the goods until the transport ship arrives at the port of destination; importer assumes responsibility for the goods on board the ship at the port of destination

______j. Exporter is responsible for the goods until they have been loaded onto the pier or wharf at the port of destination named in the sales contract; importer is responsible for all costs and risks in bringing the goods to the pier or wharf

______k. Exporter pays shipping, regardless of the transportation method, and any required tariffs or duties to the point of delivery specified by the sales contract

______l. Exporter is responsible for goods until they are delivered to the air carrier at the airport of departure

9. Ex ship
10. Ex quay
11. FOB airport
12. Delivered/ duty paid

8. Define the categories of import/export documentation. Write your answers on the blanks provided beside each of the terms below.

a. Commercial ____

____

b. Banking ____

____

c. Transportation ____

____

d. Government-control ____

____

Written Test

9. Match to their correct definitions commonly used import/export documents. Write the numbers on the blanks. Definitions continue on the next page.

______a. Document the importer uses to officially order and authorize payment for a good/service

______b. Claim of payment; check

______c. Document transferring to an international carrier the responsibility for and title to goods when the domestic carrier moves the goods to a port of destination and leaves them with the international carrier

______d. Document containing an itemized list of the export shipment including type of packaging, weight, and volume

______e. Document allowing a given exporter to ship specified goods into a nation for a specified time

______f. Sample invoice created by the exporter in order to provide the importer with a price quotation

______g. Document in which a bank guarantees a customer's account to the exporter

______h. Invoice created by the exporter as an actual billing document

______i. Document representing a contract between the exporter and the carrier that will transport the goods

______j. Document providing the carrier with specific directions for delivery of the goods

______k. Document allowing a given exporter to ship unspecified goods to importers in unspecified nations

1. Pro forma invoice
2. Commercial invoice
3. Purchase order
4. Letter of credit
5. Bank draft
6. Bill of lading
7. Delivery instructions
8. Dock receipt
9. Inspection certificate
10. Insurance certificate
11. Packing list
12. Certificate of origin
13. Export declaration
14. General export license
15. Individual validated license
16. Electronic wire transfer form

Written Test

______l. Document stating the type and amount of insurance coverage placed on export goods

______m. Document requiring a third-party inspection of the goods upon their arrival at the destination

______n. Document containing a signed official statement as to the origin of an item for export

______o. Document containing information governments use to compile trade statistics and control exports

______p. Document confirming the electronic transfer of funds from one bank to another

10. Arrange in order the steps in a typical export transaction. Write the numbers (1 through 9) on the blanks provided.

a. **Step** ___: Exporter locates customers for the goods/services

b. **Step** ___: Exporter receives purchase order from importer

c. **Step** ___: Exporter collects payment

d. **Step** ___: Exporter decides whether to enter the international market directly or indirectly

e. **Step** ___: Exporter studies the international market for the goods/services

f. **Step** ___: Exporter produces and transports goods or provides services

g. **Step** ___: Exporter and importer set conditions of sale and payment

h. **Step** ___: Exporter creates pro forma invoice

i. **Step** ___: Exporter prices the goods/services

Written Test

11. Arrange in order the steps in a typical import transaction. Write the numbers (1 through 9) on the blanks provided.

a. **Step** ___: Importer pays exporter

b. **Step** ___: Importer accepts delivery

c. **Step** ___: Importer creates purchase order for the goods/services

d. **Step** ___: Importer studies the market for the goods/services

e. **Step** ___: Importer locates supplier for the goods/services

f. **Step** ___: Importer receives pro forma invoice

g. **Step** ___: Importer decides whether to enter the international market directly or indirectly

h. **Step** ___: Importer agrees upon exporter's price for the goods/services

i. **Step** ___: Importer and exporter set conditions of sale and payment

Permission to duplicate this test is granted.

Import/Export Basics
Unit 4

Unit Evaluation Form

Student name ________________________ Unit rating ________

Assignment-sheet ratings

Assignment Sheet 1—Analyze Import/Export Scenarios to Determine Type of Risk Described Rating ____

Comments: ________________________________

____

____

Assignment Sheet 2—Analyze Import/Export Scenarios to Determine Type of Incoterm Described Rating ____

Comments: ________________________________

____

____

Assignment Sheet 3—Interpret Import/Export Documents Rating ____

Comments: ________________________________

____

____

Assignment Sheet 4—Analyze a Local Business' Export Transaction Rating ____

Comments: ________________________________

____

____

Unit Evaluation Form

Assignment Sheet 5—Analyze a Local Business' Import Transaction Rating ______

Comments: ____

____

____

Assignment Sheet 6—Plan an Export Sale Rating ______

Comments: ____

____

____

Assignment Sheet 7—Analyze Current Events Concerning Issues Relevant to Import/Export Procedures and Documentation Rating ______

Comments: ____

____

____

Written-test scores

Pretest ______ Posttest ______ Other ______

Comments: ____

____

____

Teacher signature________________________________ Date ____________

Student signature________________________________ Date ____________

211

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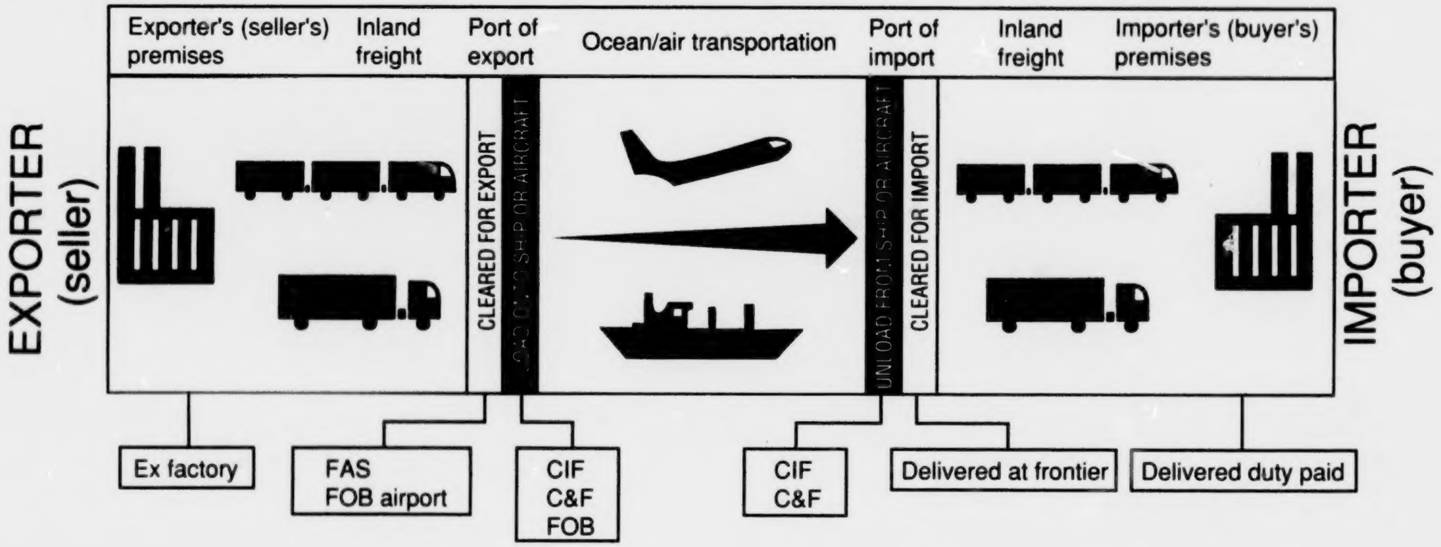
Terms of Sale (Incoterms)[1]


Exporter's (seller's) premises
Inland freight
Port of export
Ocean/air transportation
Port of import
Inland freight
Importer's (buyer's) premises
EXPORTER (seller)
IMPORTER (buyer)
CLEARED FOR EXPORT
LOAD ON SHIP OR AIRCRAFT
UNLOAD FROM SHIP OR AIRCRAFT
CLEARED FOR IMPORT
Ex factory
FAS
FOB airport
CIF
C&F
FOB
CIF
C&F
Delivered at frontier
Delivered duty paid

1-This diagram does not include all incoterms and does not replace more complete publications and explanations.

Courtesy of the Curriculum and Instructional Materials Center of the Oklahoma Department of Vocational and Technical Education. From *Export Management Specialist: A Training Program*, copyright 1991.

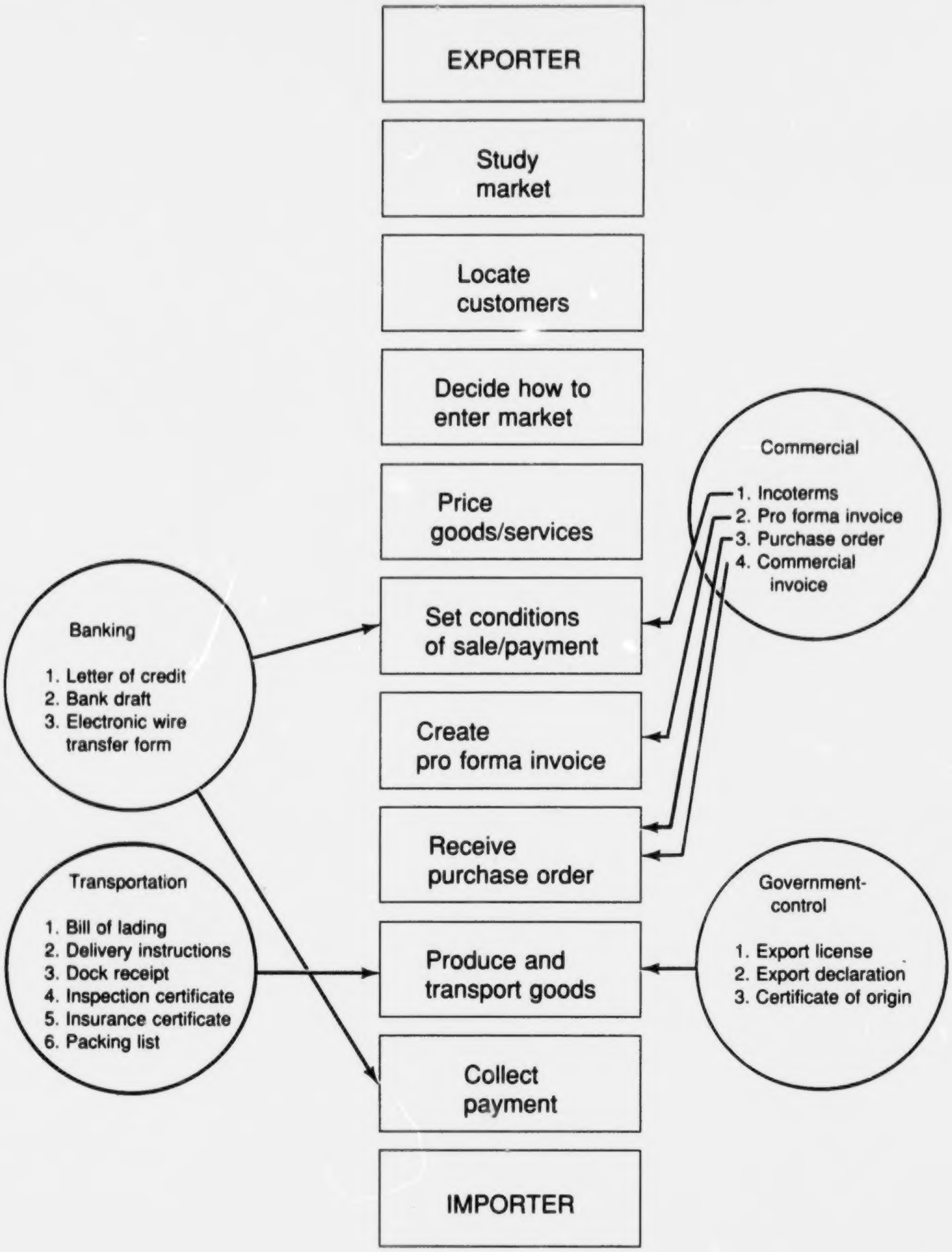
Export Flowchart

1. Study market
2. Locate customers
3. Decide how to enter market (directly or indirectly)
4. Price goods/services
5. Set conditions of sale/payment
6. Create pro forma invoice
7. Receive purchase order from importer
8. Produce and transport goods
9. Collect payment

Import Flowchart

1. Study market
2. Locate supplier
3. Decide how to enter market (directly or indirectly)
4. Agree upon exporter's price
5. Set conditions of sale/payment
6. Receive pro forma invoice
7. Create purchase order
8. Pay exporter
9. Accept delivery

Documentation Flowchart



EXPORTER
Study market
Locate customers
Decide how to enter market
Price goods/services
Set conditions of sale/payment
Create pro forma invoice
Receive purchase order
Produce and transport goods
Collect payment
IMPORTER
Banking
1. Letter of credit
2. Bank draft
3. Electronic wire transfer form
Transportation
1. Bill of lading
2. Delivery instructions
3. Dock receipt
4. Inspection certificate
5. Insurance certificate
6. Packing list
Commercial
1. Incoterms
2. Pro forma invoice
3. Purchase order
4. Commercial invoice
Government-control
1. Export license
2. Export declaration
3. Certificate of origin

International Marketing
Unit 5

Suggested Activities

Instructional plan

Preparation

- Review unit and plan presentation. Study the specific objectives to determine the order in which you will present the objectives.

  Review the unit introduction and teaching suggestions included in the delivery and application section below and plan classroom activities. Also note suggestions for media and supplemental materials.

  Plan presentation to take advantage of student learning styles and to accommodate special-needs students.

- Obtain films, videotapes, and other media to supplement instruction of this unit.

- Make a transparency from the transparency master included in the teacher pages for this unit.

- Study Assignment Sheet 1, "Evaluate an International Marketing Plan." Study the scenario presented and collect the information on their assigned nation that students gathered in completing the assignment sheets in Units 2, 3, and 4.

  Prepare other resources students will need to complete this assignment. See the resources list in Student Supplement 2.

- Review Assignment Sheet 2, "Analyze Current Events Concerning International Marketing Efforts." This assignment will become part of the student's personal portfolio. Review the format guidelines you have established for the student portfolio.

- Select teacher components (written test, unit evaluation form) you want to distribute to your students. Copy and prepare these components for distribution.

- Prepare classroom. Put up posters and charts and display articles and other references related to the objectives of this unit.

Suggested Activities

Delivery and application

Unit introduction

- Have students locate the objective sheet. Discuss unit and specific objectives.

Teaching suggestions

The skill areas appearing in bold-face type in the teaching suggestions refer to the academic and workplace skills identified by the American Society of Training and Development (ASTD) and the U.S. Department of Labor. These have been adapted by MAVCC.

Objective 1 Define the term *marketing*. **Objective 2** Define the components of a marketing mix.

- Treat Objectives 1 and 2 as a unit. Emphasize the terms *method of planning* in the definition of *marketing*. Explain to students that lack of planning and inadequate resources are the most common reasons firms do not succeed in international marketing. **(Reading/listening for content; applying technical terms)**

  Discuss with students the American Marketing Association's formal definition of the term *marketing*—"performance of business activities that direct the flow of goods and services from producer to consumer or user." Explain that although this definition comes from the American Marketing Association, there is no clear cut definition that is accepted universally. The definition of marketing changes as does the activity.

Objective 3 Define the term *marketing plan*. **Objective 4** Arrange in order the steps in developing an international marketing plan. **Objective 5** Match the components of an international marketing plan to their correct descriptions.

- Treat Objectives 3 through 5 as a unit in discussing the typical marketing planning used to assure success in international marketing.

  Read with students the information presented in the information sheet, and then, have students locate Student Supplement 1, "Steps in Developing an International Marketing Plan."

Suggested Activities

Read Student Supplement 1 with the students. Use Transparency 1, "Marketing Flowchart," to illustrate the steps presented in the supplement.

Emphasize to students that firms must keep in mind all the factors discussed in previous units (culture, financing, methods of collection, time zones, language barriers, foreign exchange rates, import/export regulations, customs fees, tariffs, etc.) when preparing a marketing plan. **(Reading/listening for content; applying technical terms)**

- Invite a member of the business community to come and discuss their firm's international marketing plan. Students would relate well with speakers from companies such as McDonald's, Burger King, Pepsico, Coca-Cola, etc.

  Have the students prepare group presentations analyzing the marketing information presented by the speaker, as was done in Assignment Sheets 4 and 5 in Unit 4, "Import/Export Basics." **(Listening for content; recognizing and defining problems, inventing, and implementing solutions, and tracking and evaluating results)**

Objective 6 List types of sources providing international marketing information.

- Read with students the information presented in the information sheet, and then, have students locate Student Supplement 2, "International Marketing Information Resources." Show students sample publications from the sources listed in the supplement. Discuss how to contact these agencies and the types of information available from each. **(Reading/listening for content; knowing how to learn)**
- Have students locate Assignment Sheet 1, "Evaluate an International Marketing Plan." Read and discuss with students the introduction and directions to the assignment. Emphasize to students that in completing this assignment they will evaluate and then suggest improvements for the marketing plan in the scenario presented in the exercise. **(Listening/reading for content; reading/listening for direction)**

Suggested Activities

Read and discuss with students the scenario presented in the assignment. Discuss that in completing the assignment students will refer to all the information presented in this unit as well as the information they have collected on their assigned nations in Units 2, 3, and 4. **(Listening/reading for content; reading/listening for direction)**

Discuss guidelines for the completed essay, and have students complete Assignment Sheet 1. **(Listening for direction)**

- Have students locate Assignment Sheet 2, "Analyze Current Events Concerning International Marketing Efforts." Explain to students that this assignment is a portfolio assignment that will follow the guidelines you established for the portfolio in Unit 1.

  Read with students the introduction and directions to the assignment.

  Explain that the resources listed in Student Supplement 2 should provide articles for the assignment as well as the other resources students have used in the portfolio assignments in other units.

  Answer students questions, and have students complete Assignment Sheet 2. **(Reading/listening for content; reading/listening for direction; knowing how to learn)**

Summary activity for publication

- To reinforce student's learning and understanding of the concepts presented in this book, it is suggested that, upon completion of this unit, students go back through the decision-making process for the career unit (Unit 1) and reevaluate their previous decisions. It would be appropriate for students to write a short paper stating their previous career decisions, factors that have influenced changes in those decisions, and current decisions. **(Learning to learn)**

Evaluation

- Evaluate assignment sheets. See the evaluation criteria listed at the top of each assignment sheet as well as the teacher page "Answers to Assignment Sheets."
- Give written test. See the teacher page "Written Test."

Suggested Activities

- Evaluate written test. See the teacher page "Answers to Written Test."
- Compile written-test and assignment-sheet scores. See the teacher page "Unit Evaluation Form."
- Reteach and retest as required.

Suggested resources

Resources used in developing this unit

Print media

- *A Basic Guide to Exporting*. Washington, D.C.: U.S. Department of Commerce, 1992.
- Bennett, Peter D. *Marketing*. New York: McGraw-Hill, Inc., 1988.
- Cassell, Clark C. *The World Is Your Market, An Export Guide for Small Business*. Washington, D.C.: Braddock Communications, 1990.
- Daniels, John D., and Lee H. Radebaugh. *International Business Environments and Operations*. Reading, MA: Addison-Wesley Publishing Company, 1989.
- Kruzel, Sandra L., and Frank Reynolds. *Import/Export Procedures*. Cincinnati, OH: South-Western Publishing Company, 1992.
- Lynch, Richard L., Herbert L. Ross, and Ralph D. Wray. *Introduction to Marketing*. New York: McGraw-Hill, Inc., 1984.
- Nelson, Carl A. *Import/Export—How to Get Started in International Trade*. Blude Ridge Summit, PA: TAB Books, Inc., 1990.
- Weiss, Kenneth D. *Building an Import/Export Business*. New York: John Wiley & Sons, Inc., 1987.

Suggested supplemental resources

Print media

- *Competitive Assessments*. U.S. Department of Commerce.

Suggested Activities

- *Country Information Kits.* Overseas Private Investment Corporation (OPIC), 7th Floor, 1129 20th Street, NW, Washington, D.C. 20527. Phone (202) 457-7010.
- *Foreign Trade Report: Monthly Exports and Imports—SITC Commodity by Country.* U.S. Department of Commerce. (Contact your state office.)

International Marketing
Unit 5

Answers to Assignment Sheets

Assignment Sheet 1

Student performance should be evaluated according to the criteria listed on the assignment sheet.

Evaluator's note: Student essay should include mention of the lack of concern in the following areas:

- Market analysis and segmentation
- International competition
- Economic, cultural, linguistic, and political differences
- Transportation problems and risk factors
- Various governmental import/export regulations
- Time-zone differences
- Foreign-exchange differences, etc.

Also, student essay should emphasize the need for

- Specific market analysis of countries to which ArcticAire wishes to export
- Methods to reduce costs of the product to be more competitive
- Use of international banking to assure payment and reduce foreign-exchange-rate risk
- Differences in terms of sale for different markets, etc.

Assignment Sheet 2

Student performance should be evaluated according to the criteria listed on the assignment sheet.

Evaluator's note: See Teacher Supplement 3 in Unit 1 for evaluation suggestions on the portfolio project.

International Marketing
Unit 5

Answers to Written Test

1. Systematic method of planning and producing goods/services to meet the needs and wants of consumers and to make a profit

2. a. Goods/services to be produced and sold
   b. Amount needed to cover the cost of manufacturing the goods/services, conducting general business-administration activities, and providing a profit
   c. Point at which the ownership or benefit of the goods/services changes hands
   d. Methods used so that customers will learn about the goods/services and their potential benefits to them
   e. Personnel involved in all marketing steps—from production through distribution and final consumption of the goods/services

3. List of objectives and an estimate of the time, effort, and resources needed to effectively market goods/services in a target market

4. a. 2 d. 3
   b. 4 e. 5
   c. 1

5. a. 6 d. 1
   b. 4 e. 5
   c. 3 f. 2

6. a. Government agencies
   b. Government-agency publications
   c. Commercial research firms
   d. Commercial publications

International Marketing
Unit 5

Written Test

Name ______________________________ Score ____________

1. Define the term *marketing.* Write your answer on the blanks provided beside the following term.

   Marketing ______________________________

   ____

2. Define the components of a marketing mix. Write your answers on the blanks provided beside each of the following terms.

   a. Product ______________________________

   ____

   ____

   b. Price ______________________________

   ____

   ____

   c. Place ______________________________

   ____

   ____

   d. Promotion ______________________________

   ____

   ____

   e. People ______________________________

   ____

   ____

Written Test

3. Define the term *marketing plan*. Write your answer on the blanks provided beside the following term.

   Marketing plan ____

   ____

4. Arrange in order the steps in developing an international marketing plan. Write the numbers (1 through 5) on the blanks provided.

   a. **Step** ___: Conduct market analysis of target country

   b. **Step** ___: Create marketing plan for target country

   c. **Step** ___: Analyze marketing mix

   d. **Step** ___: Select entry strategy for marketing goods/services in target country

   e. **Step** ___: Implement and evaluate marketing plan

5. Match the components of an international marketing plan to their correct descriptions. Write the numbers on the blanks. Descriptions continue on the next page.

   ______a. Detailed report focusing on the marketing mix; provides specific plans and timetables; assigns responsibilities; and summarizes promotional campaigns, advertising programs, changes or additions to distribution channels, and pricing policies

   ______b. Two-part report describing (1) market segmentation and (2) product positioning

   ______c. Listing of the quantitative objectives and qualitative objectives to be considered in the marketing plan

   ______d. One- or two-page report providing an overview of the key points of the marketing plan; used for briefing top management

   1. Management summary
   2. Situation analysis
   3. Specific marketing objectives
   4. Marketing strategy
   5. Budgets and controls
   6. Action program

Written Test

______ e. Report describing the projected income and expenses for the current year and a number of projected years; used as a measure of the marketing plan's performance as time passes

______ f. Two-part report containing (1) an analysis of the goods/services' strengths and weaknesses and opportunities and problems in the target country and (2) an assessment of what the competition is doing to market similar goods/services in the target country

6. List types of sources providing international marketing information. Write your answers on the blanks provided below.

a. ______________________________

b. ______________________________

c. ______________________________

d. ______________________________

Permission to duplicate this test is granted.

International Marketing
Unit 5

Unit Evaluation Form

Student name ______________________________ Unit rating __________

Assignment-sheet ratings

Assignment Sheet 1—Evaluate an International Marketing Plan Rating ______

Comments: ____

____

____

Assignment Sheet 2—Analyze Current Events Concerning International Marketing Efforts Rating ______

Comments: ____

____

____

Written-test scores

Pretest ______ Posttest ______ Other ______

Comments: ____

____

____

Teacher signature ______________________________ Date __________

Student signature ______________________________ Date __________

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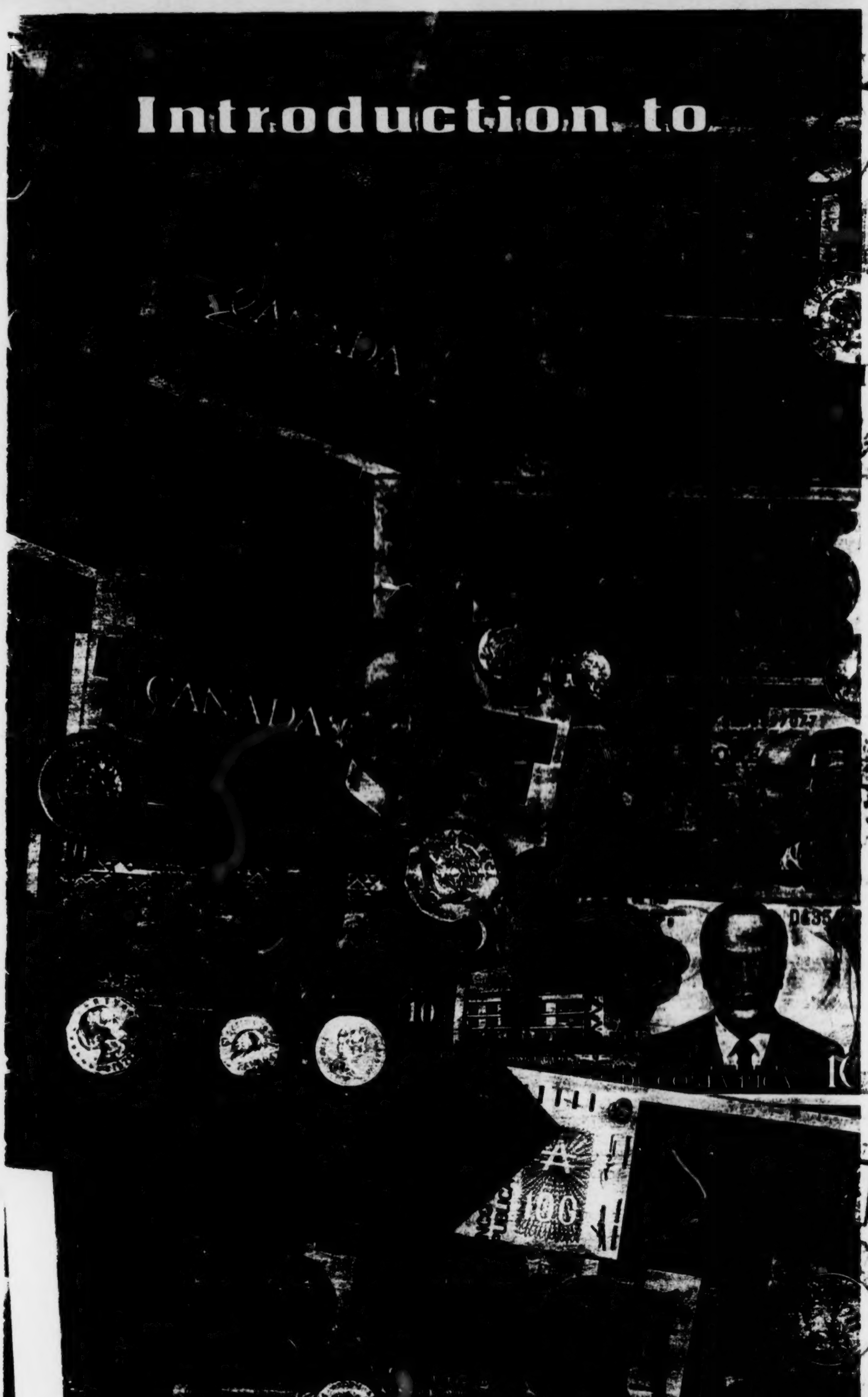
Marketing Flowchart

1. Analyze marketing mix
2. Conduct market analysis
3. Select entry strategy
4. Create marketing plan
5. Implement and evaluate marketing plan

Introduction to

International

TRADE



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Student Edition

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Introduction to International Trade

Student Edition

Table of Contents

Unit 1: Introduction to the Careers in International Trade IT-1

Unit 2: International Trade Regions IT-163

Unit 3: International Economics and Finance IT-263

Unit 4: Import/Export Basics IT-313

Unit 5: International Marketing IT-393

Introduction to the Careers in International Trade
Unit 1

Objective Sheet

Unit objective

After completing this unit, the student should be able to identify occupational and career-interest areas in international trade and develop a plan of action for meeting a career goal within international trade. The student will demonstrate these competencies by completing the assignment sheets and by scoring a minimum of 85 percent on the written test.

Specific objectives

After completing this unit, the student should be able to

1. Match terms associated with careers in international trade to their correct definitions.
2. Match occupational areas in international trade to their correct definitions.
3. Match career-interest areas in international trade to their correct definitions.
4. List steps in career decision making.
5. Discuss the interrelationship of the occupational areas in international trade.
6. Gather personal information. (Assignment Sheet 1)
7. Gather general job information and identify occupational and career-interest areas of choice. (Assignment Sheet 2)
8. Gather specific job information. (Assignment Sheet 3)
9. Make career decision. (Assignment Sheet 4)
10. Develop plan of action to meet career goal. (Assignment Sheet 5)
11. Explore the interrelationship of the occupational areas in international trade. (Assignment Sheet 6)

Introduction to the Careers in International Trade
Unit 1

Information Sheet

1. **Terms and definitions associated with careers in international trade**

- **Aptitude**—Talent or potential for being able to do something

- **Career**—Path person follows within an occupational area

  Example: Computer operator to computer programmer to computer systems analyst.

- **Career-interest area**—Group of jobs similar according to interests; work activity occurring in all occupational areas

- **Interest**—Thing, subject, or activity in life that you like to do or that makes you happy

- **International trade**—Exchange of goods or services across international boundaries

  Note: *Goods* are tangible items (products of labor that can be touched). Examples of goods are consumer products, industrial goods, agricultural commodities, food products, software, etc. *Services* are intangibles (products of labor that cannot be touched). Examples of services are accounting/financial services, data/computer services, management consulting, educational services, etc.

- **Job**—Planned or responsible activity a person performs with expectation of return for efforts

  Example: Computer operator

- **Occupational area**—Group of jobs similar according to the nature of the work being performed

  Examples: Business/finance, communications, logistics, marketing

- **Skill**—Activity you have been trained to do and have practiced doing

  Examples: Typing, math, foreign language, public speaking

- **Value**—Personal judgment concerning the importance or worth of a thing or quality

Information Sheet

2. Occupational areas in international trade and their definitions

- **Business/finance**—Jobs involved with providing the support activities necessary to allow a company or agency to fulfill its mission of making a profit in an efficient and legal manner

  Examples: Financial services, legal services, office administration

- **Communications**—Jobs involved with changing information into messages that can be understood and transmitted

  Examples: Human resources, public relations, telecommunications

- **Logistics**—Jobs involved with providing an orderly movement of goods/services

  Examples: Heavy-equipment operators, inspectors, material handlers

- **Marketing**—Jobs involved with providing goods/services that satisfy the needs and wants of customers

  Examples: Product management, advertising, sales

3. Career-interest areas in international trade and their definitions

- **Financial-services personnel**—People whose job interests include making banking and financial arrangements

  Examples: Accountant and auditor, credit manager, economist, financial manager, stockbroker

- **Legal-services personnel**—People whose job interests include knowing and interpreting laws

  Examples: Lawyer, legal assistant

- **Office administration**—People whose job interests include doing clerical or secretarial work within an office; supervising other clerks or secretaries; setting up and using computer systems and peripheral equipment; and overseeing all business purchases

  Examples: Clerical supervisor, computer and peripheral-equipment operator, manager, purchasing agent, secretary

- **Human-resources personnel**—People whose job interests include personnel management, human behavior, and social studies

  Examples: Personnel and labor-relations specialist, reservation agent

Information Sheet

- **Public-relations personnel**—People whose job interests include working with communications and public relations

  Examples: Interpreter and translator, public-relations specialist

- **Telecommunications personnel**—People whose job interests include the management of communication equipment

  Example: Communications equipment mechanic (technician)

- **Heavy-equipment operators**—People whose job interests include working with tools, machines, and related hydraulic and electrical subsystems

  Examples: Crane, derrick, or hoist operator; fork-lift operator

- **Inspectors**—People whose job interests include construction; law-enforcement; civil engineering; and mechanical, hydraulic, and electrical applications

  Examples: Construction and building inspector, inspector and compliance officer

- **Material handlers**—People whose job interests include working with tools and mechanical devices in order to move goods

  Examples: Freight, stock, and material mover; industrial traffic manager (person in charge of movement of goods); longshore worker (person who unloads and loads ships in port); packer/packager; shipping and receiving clerk

- **Product-improvement personnel**—People whose job interests include preparing production schedules, coordinating the flow of work, and keeping inventory and pricing information

  Examples: Production coordinator, wholesale and retail buyer

- **Advertising personnel**—People whose job interests include reviewing advertising trends, planning advertising campaigns, developing promotional plans, budgeting for programs, and preparing art as needed for advertisements

  Examples: Advertising agent, writer and editor, industrial designer, sign painter and letterer

- **Sales personnel**—People whose job interests include displaying merchandise, demonstrating merchandise, estimating or quoting prices, advising customers of product servicing, contacting customers, preparing estimates, recommending new merchandise, soliciting orders, processing orders, and recording and reporting sales

  Examples: Retail sales manager, sales engineer, wholesale trade sales worker, service sales representative

Information Sheet

4. **Steps in career decision making** (see Figure 1)

Note: Making a career decision is the first step you should take to ensure that you reach the life-style you want for your future. Therefore, it is a very important decision. However, many people just take any job available at the time they go to work and they never find the career path that would give them the future they want. Such people often have never been taught the steps that would guide them through the process of making careful and logical career decisions. By learning and then practicing the following steps, you control the important process whereby you decide your future.

- **Step 1—Gather personal information** (define your interests, aptitudes, skills, and values).

  Note: During this first decision-making step, you should conduct a formal or informal self-inventory to define your present interests, aptitudes, and skills and to ask yourself important questions about your personal values. Where will you want to live? How much time will you want to devote to your job? How much travel will you want to do in your job? How much money will you need?

- **Step 2—Gather general job information.**

  Note: During the information-gathering step, you will locate general information about occupational areas and career-interest areas, and you will become aware of the types of jobs available in the various occupational and interest areas.

- **Step 3—Identify occupational area of choice and career-interest area of choice.**

  Note: During this step, you will identify an occupational area and a career-interest area within the occupational area in which the jobs seem to best meet your interest, aptitudes, and skills and also fulfill your values.

- **Step 4—Gather specific job information to compare jobs within occupational area of choice and career-interest area of choice.**

  Note: At this step, you will locate and compile specific job information for the jobs within the occupational and interest areas you have chosen. Specific job information will include duties, working conditions, work requirements, earnings and advancement opportunities, employment outlook, and required educational and training levels of the jobs.

- **Step 5—Make career decision** (define career goal).

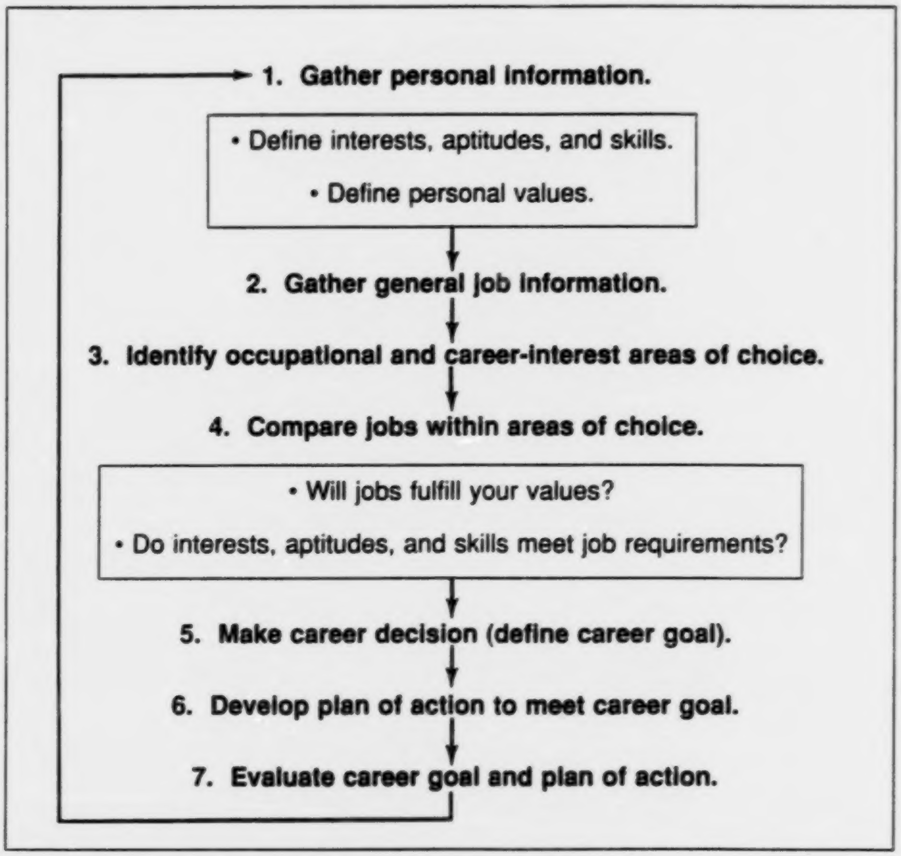
- **Step 6—Develop plan of action to meet career goal.**

Information Sheet

- **Step 7—Evaluate career goal and plan of action.**

  Note: As you grow older, your interests and skills may change and circumstances may require a change in your plan of action. Continue asking yourself questions to determine whether or not this career and plan of action are still appropriate. If you find they are not, begin the decision-making process again.

Figure 1: Steps in career decision making



1. Gather personal information.

- Define interests, aptitudes, and skills.
- Define personal values.

2. Gather general job information.

3. Identify occupational and career-interest areas of choice.

4. Compare jobs within areas of choice.

- Will jobs fulfill your values?
- Do interests, aptitudes, and skills meet job requirements?

5. Make career decision (define career goal).

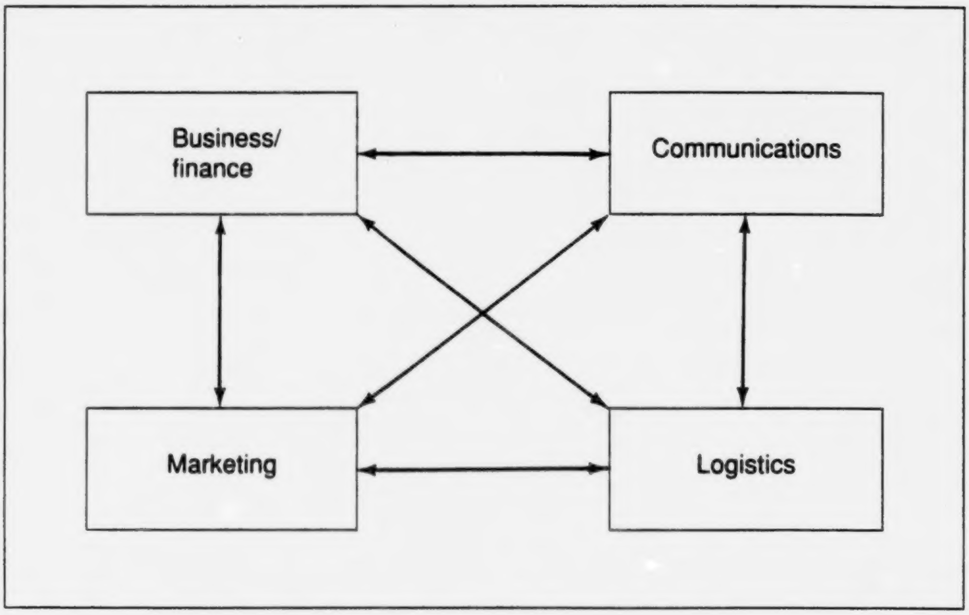
6. Develop plan of action to meet career goal.

7. Evaluate career goal and plan of action.

Information Sheet

5. **Interrelationship of the occupational areas in international trade** (Figure 2)—Teamwork is an important part of the international-trade arena. All those who work in one occupational area depend upon those in the other areas for the smooth and efficient flow of the manufacturing process, the required paperwork, legal considerations, and the final transportation of goods/services.

Figure 2


Business/ finance
Communications
Marketing
Logistics

Introduction to the Careers in International Trade
Unit 1

Student Supplement 1—Career Search Booklet

Gasolin
GALLONS
REGUL
FOR SALE

Group 1: Business/Finance

Group 1: Business/Finance

Part A: Financial Services

Accountant & Auditor
Credit Manager
Economist
Financial Manager
Stockbroker

ACCOUNTANT & AUDITOR

Nature of the Occupation

Accountants design, install, maintain and use general accounting systems to prepare, analyze and verify financial reports and related economic information. Accountants furnish this financial information to managers, who use this up-to-date material to make important decisions for the organization.

Duties may include but are not limited to the following:

- Designing or modifying accounting systems, including computer systems
- Maintaining accounts or records
- Auditing contracts, purchase orders and vouchers and preparing related reports
- Preparing periodic financial statements and other management reports

Occupation Specialties

Tax Accountants (160.162-010) prepare federal, state and local tax returns of individuals, businesses or other organizations.

Cost Accountants (160.162-026) plan, set up and direct the operation of an accounting system to determine the cost of producing or selling an item or service.

Systems Accountants (160.167-026) devise and install special accounting systems and related procedures in establishments which cannot use a standardized system.

Auditors (160.167-054) examine and analyze the accounting records of a business and prepare reports concerning its financial status and operating procedures.

Working Conditions

Accountants may work alone in small businesses or with other accountants in larger businesses and accounting firms.

Accountants generally work in offices which are comfortable, well-lighted and well-ventilated. Some accountants may work in the client's office where they have direct access to company records. Self-employed accountants may be able to do much of their work at home.

Most accountants and auditors work 40 hours per week, but many work 50 or more hours per week, particularly if they are self-employed. Income tax season, especially for tax specialists, includes long work hours and heavy pressure.

Accountants and auditors employed by large firms and government agencies may be required to travel frequently to perform audits at other branches of their firm, government facilities or clients' places of business.

Tools, Equipment and Materials used may include:

- Electronic Calculators
- Computers (Personal and Mainframe)
- Special Computer Software Systems

Worker Requirements

You should like:

- Working with figures
- Working with a variety of people
- Working with things which require thought and analysis
- Performing accurate, precise work

You should be able to:

- Work alone
- Analyze material and sort out details
- Communicate well with clients and/or co-workers
- Use office machines

Physically you must:

- Be able to sit at a desk for long periods of time
- See well, either naturally or with correction

Special Requirements:

Most public accounting and business firms require accountant and internal auditor applicants to have at least a bachelor's degree in accounting or a closely related field. Many employers prefer a master's degree in accounting or business

OCCUPATION SPECIALTIES

DOT CODE:

160.162-018 Accountant
160.162-010 Accountant, Tax
160.162-022 Accountant, Budget
160.162-026 Accountant, Cost
160.167-054 Auditor

SOC CODE: 1412 OES CODE: 21114

OKLAHOMA
CAREER
SEARCH

ACCOUNTANT & AUDITOR

administration with a concentration in accounting. Familiarity with computers is also an increasingly important factor for employers, as is prior experience.

Professional recognition through certification and licensure is also extremely valuable. In the majority of states, certified public accountants (CPA) are the only accountants who are licensed and regulated. To become a CPA, it is necessary to take a four-part 2 1/2 day examination that is the same for all states. Candidates are not required to pass all four parts at once. Most states also require applicants for a CPA certificate to have some public accounting experience.

Opportunities for Experience:

Employment as a bookkeeper or accounting clerk may provide experience in this area. Many colleges offer students opportunities to gain experience through summer or part-time internship programs conducted by public accounting or business firms. All branches of the military service also offer opportunities for experience.

Earnings and Advancement

Earnings depend upon the accountant's experience, level of education, and certification as a public accountant. While larger firms usually pay higher starting salaries than small or medium-sized firms, the small and medium-sized firms usually offer the well-qualified employee an opportunity for more rapid advancement.

Earnings:

In 1992, the annual salary offer to beginning accountants in private industry averaged $27,303 per year.

Beginning auditors earned an average annual salary of $21,325 in 1992. Median weekly earnings for accountants and auditors in 1992 were $580.

Accountants and auditors employed by the federal government earned an average salary of $41,934 in 1992.

Fringe Benefits:

Depending on the employer, accountants may receive paid vacations and holidays; life, accident, disability and hospitalization insurance; retirement plans; and sick pay. These benefits are usually paid for, at least in part, by the employer.

Career Ladder for this Occupation may look like this:

- Partner/Own Business
- Partner
- Manager
- Senior Accountant
- Junior Accountant

An accountant may advance by further education - receiving a CPA certificate and gaining experience in computer-assisted accounting systems.

Employment and Outlook

There were approximately 985,000 accountants and auditors employed nationally in 1990. Employment is expected to grow faster than the average for all occupations through the year 2000 due to the key role these workers play in the management of all types of businesses. Opportunities are expected to be favorable for college graduates seeking accounting and auditing jobs who have worked part-time in a business or accounting firm.

Oklahoma Employment and Outlook

In Oklahoma, accountants and auditors are projected to have 354 job openings annually until the year 2000. These job openings represent new jobs and replacements caused by leaving the occupation, promotions, retirements, etc. In 1990, accountants and auditors held 11, 582 jobs in Oklahoma. They are expected to hold 13,436 jobs by the year 2000.

Related Education and Training

Level(s) of education and training usually needed for this occupation:

- Technical, junior or community college
- College - bachelor's degree

Level(s) of education and training also available for this occupation:

- College - master's degree

School subjects helpful in preparing for this occupation include:

- College Preparatory
- Algebra
- Business Data Processing
- General Business
- Economics
- English
- Accounting
- Business Law

More Sources of Information

- American Institute of Certified Public Accountants
  1211 Avenue of the Americas
  New York, NY 10036-8775
- National Society of Public Accountants and Accreditation Council for Accountancy
  1010 North Fairfax Street
  Alexandria, VA 22314
- Institute of Management Accounting
  10 Paragon Drive
  Box 433
  Montvale, NJ 07645
- American Woman's Society of Certified Public Accountants
  500 North Michigan Avenue
  Suite 1400
  Chicago, IL 60611
  (312) 661-1700

CREDIT MANAGER

Nature of the Occupation

Credit and collection managers direct and coordinate the activities of workers who conduct credit investigations and collect overdue accounts for banks, credit unions, department stores and other businesses.

Duties may include but are not limited to the following:

- Formulating credit policies
- Establishing financial standards for loan applicants
- Reviewing and evaluating results of investigations of credit applications
- Writing collection letters to customers
- Supervising the collection of bad accounts and checks
- Giving unpaid customer accounts to collection agencies

Working Conditions

Credit and collection managers usually supervise an office staff and may work closely with other members of management. Working conditions may vary, depending upon the type, location, size and financial status of the employer. Generally, they spend much of their time seated in pleasant, well-lighted and air-conditioned offices.

Credit and collection managers sometimes work longer than 40 hours with evening and Saturday work necessary. This occurs more in the retail trades where a seasonal increase in credit sales can produce a greater work volume.

Some managers travel frequently to interview customers, to evaluate firms, or make new contacts.

Tools, Equipment, and Materials used may include:

- Calculators
- Schedules
- Charts
- Forms
- Computer Terminals
- Ledgers
- Operation Manuals
- Credit Reports

Worker Requirements

You should like:

- Business contact with people
- Communicating information or data to others

You should be able to:

- See details and perform arithmetical operations quickly and accurately
- Understand and use words well

OCCUPATION SPECIALTIES
DOT CODE:
168.167-054 Manager, Credit and Collection
SOC CODE: 1419 OES CODE: 21199

OKLAHOMA
CAREER
SEARCH

CREDIT MANAGER

- Make decisions based on facts, logic and experience
- Maintain good customer relations
- Direct, plan, and control the activities of others
- Keep information confidential

Physically you must:
- Sit for long periods
- Speak and hear clearly

Opportunities for Experience:
Opportunities for experience are limited. A summer or part-time job as a typist or file clerk in a credit office would offer opportunities to observe experienced managers.

Methods of Entry:
The most common method of entry is direct application to employers. Help may also be found at college placement offices, the state employment office, and newspaper want ads.

Earnings and Advancement

Earnings of credit managers vary according to the experience and background of the individual and the geographic location and size of the employer.

Earnings:
Credit Managers earned an average annual salary of $26,203 in their first year on the job. Salary level depends upon the size and location of the organization and is likely to be higher in large organizations and cities. Credit managers in the lowest 10 percent earned $18,300, while the top 10 percent earned over $68,000. Some experienced credit managers earned substantially higher salaries. Many credit managers in private industry received additional compensation in the form of bonuses.

Fringe Benefits:
Fringe benefits may include paid vacations and holidays; sick leave; life, health and disability insurance; pension plans and stock options (purchase of a company's stock at lower than market rates).

Career Ladder for this Occupation may look like this:
- Regional Credit Manager
- Credit Manager
- Assistant Credit Manager
- Management Trainee

Advancement depends on educational background, job performance, knowledge of the business, and the ability to handle or get along with people.

Employment and Outlook

Nationally, about 224,300 financial officers in banks, finance companies, securities dealing firms, real estate firms and related institutions were employed in 1988. Employment is expected to grow as fast as the average for all occupations through the year 2000. Use of computers and telecommunications equipment will allow for centralization of credit offices.

Related Education and Training

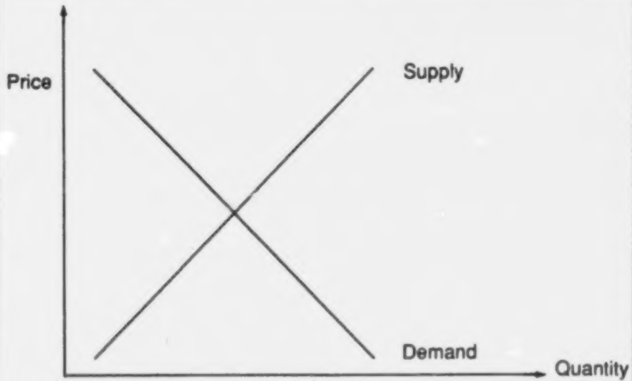
Level(s) of education and training usually needed for this occupation:
- On-the-job training
- High school diploma or G.E.D.
- Technical, junior or community college
- College bachelor's degree

School subjects helpful in preparing for this occupation include:
- College Preparatory
- Bookkeeping
- Business Math
- Accounting
- Business Data Processing
- Economics

More Sources of Information

- American Financial Services Association
  1101 14th Street, NW
  4th Floor
  Washington, DC 20005
- Associated Credit Bureaus
  16211 Park Ten Place
  Houston, TX 77084
- International Credit Association
  243 North Lindbergh Blvd.
  P.O. Box 27357
  St. Louis, MO 63141
- The American Bank Directory (Norcross, Ga., McFadden Business Publications)
- Polk's World Bank Directory (Nashville, R. L. Polk & Co.)
- The U.S. Savings and Loan Directory (Chicago, Rand & McNally & Co.)
- State Employment Offices

ECONOMIST



Nature of the Occupation

Economists conduct research, collect and analyze data, monitor economic trends, prepare reports and formulate plans to aid in the solution of economic problems arising from the production and distribution of goods and services.

Duties may include but are not limited to the following:

- Developing methods for collecting and processing economic and statistical data
- Interpreting economic and statistical data
- Analyzing the relationships between the supply and demand for goods and services
- Developing ways to control inflation, unemployment and business cycles
- Planning and conducting studies to determine the need for change in business or government policy

Occupation Specialties

Market Research Analysts (050.067-014) study conditions in sales areas to determine the sales projections of a product or service.

Agricultural Economists (050.067-010) study agricultural problems to determine better uses of farm resources.

Tax Economists (050.067-010) collect and study data and the effects of taxes and policies on national income and overall business activities.

Labor Economists (050.067-010) collect and interpret labor data to forecast labor trends and suggest changes in labor policies.

Industrial Economists (050.067-010) study the organizational structure, methods of financing, production costs and techniques, and marketing policies of various types of businesses to develop improvements.

Working Conditions

Economists working in private industry may work alone, with members of other professions, or with company officers. Economists usually work in comfortable, well-lighted and air-conditioned offices.

Economists in government agencies and private industry generally work a 5-day, 40-hour week. Most work under the pressure of deadlines, tight schedules, and heavy workloads, and sometimes must work overtime. They may be required to travel to attend conferences or conduct research. Economists teaching on the college level have flexible work schedules, dividing their time among teaching, research, and administrative duties.

Tools, Equipment and Materials used may include:

- Computers
- Calculators
- Statistical & other Reports
- Text & Reference Books

Worker Requirements

You should like:

- Working with technical and theoretical data
- Work concerned with people and the communication of information

You should be able to:

- Analyze economic information
- Make decisions based on judgment and experience or on verifiable and measurable data
- Understand mathematical and statistical methods
- Reason logically
- Communicate clearly and effectively in speech and in writing
- Plan, direct and control economic studies
- Work accurately with detail

OCCUPATION SPECIALTIES

DOT CODE:

050.067-010	Economist
050.067-014	Market Research Analyst
050.067-010	Agricultural Economist
050.067-010	Tax Economist
050.067-010	Labor Economist
050.067-010	Industrial Economist

SOC CODE: 1912 OES CODE: 27102

OKLAHOMA
CAREER
SEARCH

ECONOMIST

Physically you must:
- See well, either naturally or with correction
- Communicate well and have normal hearing

Opportunities for Experience:
Summer or part-time employment doing research for universities, the government, or business firms may provide helpful experience.

Earnings and Advancement

Earnings depend upon the employer, type of work, geographic location, and the education and experience of the employee.

Earnings:
Graduates with a degree in economics earned an annual starting salary of $25,609 in 1992. The average annual earnings of full-time economists were about $38,064 per year or $732 per week. Out of all economists currently employed, the middle 50 percent earned between $27,772 and $54,908. The lowest 10 percent of economists earned under $19,928, while the highest 10 percent earned over $71,868. The average base salary of business economists was $63,600. Economists in general administration and international economics earned the highest salaries; those in market research and econometrics earned the lowest. The highest paid business economists were in the securities and investment, retail and wholesale trades, and nondurable manufacturing industry; the lowest paid were in education, nonprofit research organization, and communications and utilities.

The federal government recognizes education and experience in certifying applicants for entry level positions. In general, the entrance salary for economists having a bachelor's degree averaged about $17,500; however, those with superior academic records began at $21,630.

Those graduating with a master's degree in 1992 were offered a starting salary of $37,075.

Fringe Benefits:
Depending on the employer, economists may receive paid vacations and holidays; life, accident, disability and hospitalization insurance; retirement plans; and sick pay. These benefits are usually paid for, at least in part, by the employer.

Career Ladder for this Occupation may look like this:
- Economic Advisor
- Economist
- Market Research Analyst

Economists may advance through experience, responsibilities or administrative duties.

Employment and Outlook

There were approximately 37,000 economists employed nationally in 1990. Employment is expected to grow as fast as the average through the year 2005. Opportunities for economists should be best in financial services, research organizations, and consulting firms. Little or no change is expected in the employment of economists in federal, state and local government.

Persons with bachelor's degrees are likely to face keen competition for jobs, but many will find research, managerial and administrative positions. Those with a master's degree in economics have better employment prospects. Opportunities will be best for Ph.D.'s. Employment prospects for economists in colleges and universities should improve.

Oklahoma Employment and Outlook

In Oklahoma, 9 job openings for economists are projected annually until the year 2000. These job openings represent new job growth as well as vacancies created by those who leave the occupation, are promoted, or retire, etc. In 1990, economists held 201 jobs in Oklahoma. They are expected to hold 230 jobs by the year 2000.

Related Education and Training

Level(s) of education and training usually needed for this occupation:
- College bachelor's degree
- College master's degree

Level(s) of education and training also available for this occupation:
- College Ph.D. or professional degree

School subjects helpful in preparing for this occupation include:
- College Preparatory
- Algebra • Geometry
- Computer Science
- Calculus • Trigonometry
- Statistics • Accounting
- Business Data Processing
- Government • Political Science
- Economics • History
- Sociology

More Sources of Information

- American Economic Association
  2014 Broadway
  Suite 305
  Nashville, TN 37203-2418
- National Association of Business Economists
  28349 Chagrin Boulevard
  Cleveland, OH 44122
- American Marketing Association
  250 South Wacker Drive
  Suite 200
  Chicago, IL 60606-5819
- Federal, State, and Local Civil Service Offices

FINANCIAL MANAGER

Nature of the Occupation

Financial managers prepare the financial reports required by a firm to conduct its operations and to satisfy tax and regulatory requirements. They oversee the flow of cash and financial instruments and develop information to assess the present and future financial status of a firm.

Duties may include but are not limited to the following:

- Establishing policies and procedures of operation
- Directing the activities of workers
- Approving or rejecting lines of credit and loans
- Controlling assets, records, collateral and securities held by the institution
- Representing customers in business affairs with the institution
- Preparing financial reports
- Advising individuals and businesses on financial planning.

Occupation Specialties

Financial Institution Managers (186.167-086) are often known by the type of institution they manage, such as bank branch managers, trust company manager, or savings and loan association manager. They may also be designated according to the type of loan made, such as consumer credit manager.

Controllers (186.117-014) direct the financial affairs of local governments, including payrolls.

Treasurers (161.177-070) direct financial planning as well as obtain and invest funds for a local government.

Credit Card Operations Managers (186.167-022) establish credit rating criteria, determine credit ceilings, and monitor their institution's extension of credit.

Reserve Officers (186.167-054) review their institution's financial statements and direct the purchase and sale of bonds and other securities to maintain the asset/liability ratio required by law.

User Representatives (189.117-038) in international accounting develop integrated international financial and accounting systems for banking transactions of multinational organizations.

Working Conditions

Managers usually work in attractive, comfortable surroundings. Offices are air-conditioned, well-lighted, and have adequate work space.

Generally, managers work 40 hours, but overtime may sometimes be required. Their work schedule may include late evenings and Saturdays. They may travel to call on customers.

Tools, Equipment and Materials used may include:

- Computer Terminals
- Scanners
- Operation Manuals
- Copiers
- Calculators
- Reference Materials
- Interest Rate Schedules

Worker Requirements

You should like:

- Business contact with people

You should be able to:

- Direct, control and plan the activities of others
- Make decisions based on your own judgment
- Deal courteously and tactfully with people
- Communicate effectively both in writing and verbally

Physically you must:

- Maintain good health
- Sit for long periods of time
- See and hear well, either naturally or with correction

OCCUPATION SPECIALTIES

DOT CODE	
186.167-086	Manager, Financial Institution
186.117-014	Controller
161.117-070	Treasurer
186.167-022	Credit Card Operations Managers
186.167-054	Resarve Officers
189.117-038	User Representatives

SOC CODE 122 OES CODE 13002

OKLAHOMA
CAREER
SEARCH

FINANCIAL MANAGER

Special Requirements:
Financial managers must be bondable and have good credit records. In addition, they should have no record of criminal offenses.

Opportunities for Experience:
Summer or part-time work as a clerk, messenger, or teller provides valuable training for potential financial managers.

Methods of Entry:
The most common method of entering this career is by direct application to employers. Assistance in locating a position may be available from college placement offices and newspaper want ads.

Earnings and Advancement

The earnings of financial managers depend on their abilities and positions as well as the size and type of firm for which they work.

Earnings:
Graduates who set out to be financial managers were offered salaries around $26,539 per year. Nationally, in 1992, financial managers earned an average weekly salary of $743, for an annual salary of $38,636. The lowest 10 percent earned $19,398 or less, while the top 10 percent earned over $72,000. The salary level depends upon size and location of the organization and is likely to be higher in large organizations and cities. Many financial managers in private industry received additional compensation from bonuses.

Fringe Benefits:
Fringe benefits received by financial managers may include paid vacations and holidays, sick leave, pension plans, health and life insurance, educational assistance, and yearly bonuses. Other benefits provided to managers free or at a reduced rate may include checking accounts, traveler's checks, money orders, and the processing fee for home loans.

Career Ladder for this Occupation may look like this:
- Chief Analyst
- Financial Manager
- Assistant Manager
- Management Trainee

Education offered by the American Institute of Banking or the Institute of Financial Education may increase the individual's chances for promotion.

Employment and Outlook

Nationally, in 1990, there were approximately 701,000 financial managers employed. Employment is expected to increase faster than the average for all occupations through the year 2005. Although many job opportunities will result from the need to replace those who transfer to other fields, an increase in foreign and domestic competition, the recent crisis among banks and savings and loan institutions, changing tax laws, and greater emphasis on accurate reporting of financial data will spur the need for financial managers.

Oklahoma Employment and Outlook

In Oklahoma, 254 job openings for financial managers are projected annually until the year 2000. These job openings represent new job growth as well as vacancies created by those who leave the occupation, are promoted or retire, etc. In 1990, financial managers held 8,085 jobs in Oklahoma. They are expected to hold 9,509 jobs by the year 2000. This is considered an average growth rate due to the relatively large number of financial managers employed in Oklahoma in 1990.

Related Education and Training

Level(s) of education and training usually needed for this occupation:
- Technical, junior or community college
- College bachelor's degree

Level(s) of education and training also available for this occupation:
- College master's degree

School subjects helpful in preparing for this occupation include:
- College Preparatory
- Algebra
- Accounting
- Business Law
- General Merchandising
- Government
- Composition
- Statistics
- Bookkeeping
- General Business
- Economics
- Political Science

More Sources of Information

- Financial Management Association
  College of Business Administration
  University of South Florida
  Tampa, FL 33620
- National Association of Bank Women
  500 North Michigan Avenue
  Suite 1400
  Chicago, IL 60601
- American Financial Services Association
  Fourth Floor
  1101 14th Street, NW
  Washington, DC 20005
- American Bankers Association
  1120 Connecticut Ave., NW
  Washington, DC 20036

STOCKBROKER

Nature of the Occupation

Stockbrokers inform individuals, groups or businesses about investments and market conditions. They buy, sell and/or transfer stocks and bonds for clients. Stockbrokers are also known as securities sales agents.

Duties may include but are not limited to the following:

- Relaying orders to buy or sell securities to various security exchanges
- Analyzing market conditions and trends to determine when to buy and sell
- Keeping up-to-date on trends that influence stock prices
- Developing a varied group of stocks for clients to own
- Recording transactions accurately and keeping clients informed of those transactions
- Offering financial counseling to customers
- Devising individual financial portfolios for clients

Occupation Specialties

Securities Traders (162.167-042) buy and sell securities in the trading division of an investment or brokerage house.

Working Conditions

A stockbroker usually works in an office where there is a great deal of activity. The quote board or computer terminals constantly flash with current information on the price of stocks. Brokers call clients, advising them on the status of their investments.

Although they may work an average 40-hour week, many hours are often spent after the trading day is over making client contacts and keeping up on reading about conditions in the market. The beginning stockbroker may spend long hours building up a clientele.

Stockbrokers may belong to the National Association of Securities Dealers. They are subject to the regulations of the Securities and Exchange Commission, the stock exchanges, the firm for which they work and their particular state requirements.

Worker Requirements

You should like:

- Working with people and numbers
- Influencing peoples' judgments

You should be able to:

- Demonstrate initiative, ambition and leadership
- Make decisions and judgments using logical reasoning
- Perceive detail in data
- Work well under pressure

Physically you must:

- Reach for, handle and feel objects
- Talk and hear
- See well, either naturally or with correction

Special Requirements:

Stockbrokers come from many different backgrounds. A college education is increasingly preferred. Previous selling experience can be helpful. Stockbrokers must pass tests to become registered representatives of a securities and investment firm.

Training in the use of computers is important, as the securities sales business is highly automated.

Opportunities for Experience:

Part-time work in selling mutual funds is available. Some persons combine selling mutual funds with selling insurance.

Methods of Entry:

A person desiring to become a stockbroker often goes into a firm as a trainee and prepares for the Securities and Exchange Commission's general securities

OCCUPATION SPECIALTIES
DOT CODE:
162.167-038 Securities Trader
SOC CODE: 4124 OES CODE: 43104

STOCKBROKER

examination or an examination prepared by the National Association of Securities Dealers, Inc. An individual without experience may seek sponsorship by a member of a securities firm. Positions in securities firms may also be obtained through college placement centers.

Earnings and Advancement

Stockbroker trainees and the firms for which they will work usually negotiate salaries. Until trainees meet licensing requirements, they are often paid a salary. Once licensed, brokers' earnings are based on commissions from sales of securities. To provide a steady income during market slumps when buying and selling are limited, many firms pay brokers a draw against commission (a minimum salary based on commissions they are expected to earn).

Earnings:

Nationally, in 1992, beginning stockbrokers earned an average of $26,727 per year. Median earnings were around $36,300 a year for all stockbrokers. Full-time experienced stockbrokers who serve individual investors averaged above $80,000 a year. A relatively small number of stockbrokers who handle institutional accounts averaged over $175,000 per year.

Fringe Benefits:

Most stockbrokers receive paid vacations and holidays; life, accident, and disability insurance; and retirement plans. These benefits may be paid for, at least in part, by the employer.

Career Ladder for this Occupation may look like this:
- Firm Partner
- Branch Office Manager
- Stockbroker
- Trainee

Advancement for stockbrokers is usually through an increase in the number and size of the accounts they handle.

Employment and Outlook

Nationally, there were approximately 191,000 securities and financial services sales workers employed in 1990. Employment is expected to grow much faster than the average for all occupations as economic growth and rising personal incomes increase the funds available for investment.

Due to the highly competitive nature of securities sales work, many beginners leave the field because they are unable to establish a sufficient clientele. Once established securities and financial services sales representatives have a very strong attachment to their occupation because of high earnings and the considerable investment in training.

Related Education and Training

Level(s) of education and training usually needed for this occupation:
- On-the-job training
- Technical, junior or community college
- College bachelor's degree

School subjects helpful in preparing for this occupation include:
- College Preparatory
- Speech
- Accounting
- Bookkeeping
- Business English
- Economics
- Political Science
- Sociology
- Computer Science

More Sources of Information

- Securities Industry Association
  120 Broadway
  35th Floor
  New York, NY 10271

- National Association of Securities Dealers
  P.O. Box 9401
  Gaithersburg, MD 20898-9401

- Local Investment & Securities Firms

- College Placement Offices

Group 1: Business/Finance

Part B: Legal Services

Lawyer
Legal Assistant

LAWYER

Nature of the Occupation

Lawyers represent clients in criminal and civil cases by presenting arguments that support their clients in court. They advise clients as to their legal rights and obligations in many different situations.

Duties may include but are not limited to the following:
- Interviewing clients and witnesses
- Advising clients as to legal rights and responsibilities
- Gathering evidence to commence legal action or form a defense
- Examining and cross-examining witnesses
- Summarizing cases to juries
- Writing reports and legal briefs
- Representing clients in court and before other agencies of the government
- Preparing various documents such as wills, property titles, and mortgages
- Acting as trustee, guardian, or executor

Occupation Specialties

Lawyers (110.107-010) conduct criminal and civil lawsuits, draw up legal documents, advise clients as to legal rights and practice other phases of law.

Criminal Lawyers (110.117-026) specialize in legal cases dealing with offenses against society or the state, such as theft, murder and arson. They are responsible for preparing the case for trial, examining and cross-examining witnesses and summarizing the case to the jury.

District Attorneys (110.117-010), also known as prosecuting attorneys, city attorneys or solicitors, conduct prosecution in court proceedings for a city, county, state or the federal government.

Corporation Lawyers (110.117-022) advise corporations on legal rights, obligations, and privileges in accordance with the constitution, statutes, decisions, and ordinances.

Patent Lawyers (110.117-026) specialize in patent law and advise clients such as inventors, investors, and manufacturers on the possibility of seeking a patent for an invention, and on other issues such as infringement on patents, validity of patents and similar items.

Working Conditions

Lawyers may be self-employed or work for other lawyers or law firms and usually work under a minimum of supervision. Lawyers generally work in clean, air-conditioned, and well-lighted offices and court rooms.

Lawyers often work long hours and are usually under considerable pressure. Lawyers in private practice determine their own working hours. Lawyers working for governmental agencies normally work a 40-hour week, although extended hours may be necessary. They frequently travel to attend meetings, gather evidence, and appear before courts.

Membership in the State Bar Association is required. Many lawyers also join other professional associations to keep current on events in the field of law. Membership usually requires the payment of an annual fee.

Tools, Equipment and Materials used may include:
- Laws, Statutes & Regulations
- Judicial Rulings & Precedents
- Computers
- Deeds, Mortgages, Wills & Patents
- Law Books & Journals

Worker Requirements

You should like:
- Helping other people
- Performing research and investigative work
- Debating, arguing, and public speaking

You should be able to:
- Reason clearly and logically
- Analyze information using personal judgment
- Work with details
- Plan and organize your work
- Communicate clearly and effectively in speech and writing
- Deal with a variety of cases

OCCUPATION SPECIALTIES
DOT CODE:

110.107-010	Lawyer
110.117-022	Lawyer, Corporation
110.107-014	Lawyer, Criminal
110.117-026	Lawyer, Patent
110.117-010	District Attorney

SOC CODE: 211 OES CODE: 28108

OKLAHOMA
CAREER
SEARCH

LAWYER

- Adhere to strict rules of ethics
- Influence people's opinions, attitudes, or judgments about ideas or things
- Get along well with others

Physically you must:
- Speak clearly and hear well, either naturally or with correction
- Maintain good health

Special Requirements:
Lawyers must pass state bar examinations before being allowed to practice within that state. Most states require that an applicant for admission to the bar be a graduate of an American Bar Association approved law school.

Opportunities for Experience:
Law students may be able to obtain work as law clerks performing research and some investigative work.

Methods of Entry:
Methods of entering this occupation include directly applying to agencies and firms which have legal sections, law school placement offices, or through referrals. Positions may also be located by consulting newspaper want ads and professional journals.

Earnings and Advancement

Earnings depend upon a lawyer's area of expertise and conditions of employment—self-employed in private practice or employed by law firms, private industry or governmental agencies.

Earnings:
In 1992, annual salaries of beginning lawyers in private industry averaged $49,820; however, top graduates from the nation's best law schools started, in some cases, at over $80,000 a year. Average annual salaries for lawyers was $52,416. In the federal government, average starting salaries in 1992 were around $26,500 or $32,860, depending upon academic and personal qualifications.

Salaries of experienced attorneys vary widely according to the type, size and location of their employer. The average salary of the most experienced lawyers in private industry in 1992 was over $127,000, but some senior lawyers who are partners in the nation's top law firms earned over $1 million.

Fringe Benefits:
Lawyers may receive paid vacation and holidays; sick leave; life, accident, and hospitalization insurance; and retirement plans.

Career Ladder for this Occupation may look like this:
- Own Practice
- Senior Law Partner
- Junior Law Partner
- Legal Staff Assistant

Experience, education, and performance in past jobs are important factors in advancement.

Employment and Outlook

In 1990 there were approximately 587,000 lawyers employed nationally. The majority of these lawyers practiced privately, either in law firms or in solo practices. Employment is expected to grow much faster than the average for all occupations through the year 2005 due to increased population and growing business activity. Due to intense competition for jobs, willingness to relocate may be an advantage in getting a job. In addition, employers increasingly seek graduates who have advanced law degrees and experience in a particular field such as tax, patent or other types of law.

Oklahoma Employment and Outlook

In Oklahoma, 182 job openings for lawyers are projected annually until the year 2000. Most of these openings are the result of resignations, promotions, retirements, etc. rather than new job growth. In 1990, lawyers held 6,683 jobs in Oklahoma. They are expected to hold 7,233 jobs by the year 2000. This is considered a slow growth rate due to the relatively large number of lawyers employed in Oklahoma in 1990.

Related Education and Training

Level(s) of education and training usually needed for this occupation:
- College bachelor's and law degree

School Subjects helpful in preparing for this occupation include:
- College Preparatory
- Composition
- English
- Foreign Languages
- Speech
- Algebra
- Economics
- Government
- History
- Psychology
- Sociology

More Sources of Information

- Commercial Law League of America
  175 West Jackson
  Suite 1541
  Chicago, IL 60604
- American Bar Association
  750 North Lake Shore Drive
  Chicago, IL 60611
- Federal Bar Association
  1815 H Street, NW
  Washington, DC 20006
- Association of American Law Schools
  One Dupont Circle, NW
  Suite 370
  Washington, DC 20036

- Law School Admissions Offices

LEGAL ASSISTANT

Nature of the Occupation

Legal assistants, also called paralegals or legal technicians, work directly under the supervision of a lawyer and generally perform background work for the lawyer. The legal assistant investigates the facts of the case to make sure that all necessary information is uncovered.

Duties may include but are not limited to the following:
- Organizing and indexing documents and files
- Researching information in public libraries, newspapers, and special libraries
- Summarizing depositions
- Assisting in the preparation of probate inventories
Interviewing clients
- Investigating the facts of a case
- Drafting organizational documents for corporations
- Drafting minutes of meetings of corporate directors
- Drafting deeds of trust, leases, and contracts of purchase and sale
- Preparing histories of cases
- Obtaining affidavits for a lawyer

Occupation Specialties

Legal Investigators (119.267-022) research and prepare cases relating to administrative appeals of civil service members.

Para-legal Assistants (119.267-026) research law, investigate facts, and prepare documents to assist lawyers.

Working Conditions

Legal assistants do most of their work in offices and law libraries. Occasionally, they travel to gather information and perform other duties. Legal assistants work alone or with others. They are generally supervised by a lawyer.

Legal assistants usually handle many routine assignments, but as the assistant gains experience more tasks involving more responsibility are assigned. As new laws and judicial interpretations emerge, legal assistants are exposed to new legal problems which make their work more interesting and challenging.

Most legal assistants work a standard 40-hour week. At times, they work very long hours and are under pressure to meet deadlines. Usually, they are not paid for overtime work, although they may receive compensatory time off.

Tools, Equipment and Materials used may include:
- Computer Terminals
- Resource Materials from Libraries or Businesses
- Law books and journals
- Deeds, Mortgages, Wills and Patents

Worker Requirements

You should like:
- Performing research and investigative work
- Handling routine assignments

You should be able to:
- Reason clearly and logically
- Analyze information
- Work with details
- Plan and organize work
- Deal with a variety of cases
- Communicate clearly and effectively in speech and writing

Physically you must:
- See well, either naturally or with correction

Special Requirements:

Certification is not currently required of legal assistants. However, the National Association of Legal Assistants has established standards for voluntary certification. Those who meet the standards may take a two-day examination administered at a

OCCUPATION SPECIALTIES

DOT CODE:

119.267-022 Legal Investigator

119.267-026 Para-Legal Assistant

SOC CODE: 396 OES CODE: 28302, 28305

LEGAL ASSISTANT

regional testing center by the Certifying Board of Legal Assistants. Those who pass may use the title Certified Legal Assistant (CLA).

Opportunities for Experience:
One may gain experience by working part-time in law offices, legal aid societies, life insurance companies, or other businesses needing research on legal matters.

Methods of Entry:
Methods of entering this occupation include directly applying to law firms, governmental agencies, or businesses that utilize legal assistants. Positions may also be located by consulting newspaper want ads and professional journals.

Earnings and Advancement

Earnings of legal assistants vary greatly. Salaries depend on training and experience brought to the job, the type of employer, and the geographic location of the job. Generally, those who work for large law firms or in large metropolitan areas earn more than those who work for smaller firms or in less populated regions.

Earnings:
Nationally, in 1992, legal assistants earned an average starting salary of $20,669. The average salary for experienced legal assistants was $25,220. The middle 50 percent earned between $20,600 and $29,870 per year. Paralegals with 3 to 5 years of experience averaged $24,926 per year. Average salaries of $29,355 per year were noted for paralegals with over 10 years of experience. In addition to a salary, many paralegals receive an annual bonus, which averaged $1100 in 1992.

Legal assistants working for the federal government in 1992 earned average starting salaries ranging from $17,500 to $21,600 per year. The average salary of paralegals who worked for the government in 1992 was about $34,000 per year.

Fringe Benefits:
Legal assistants may receive paid vacations and holidays; sick leave; life, accident, and hospitalization insurance; and retirement plans. These benefits are usually paid for, at least in part, by the employer.

Career Ladder for this Occupation may look like this:

- Lawyer
- Law Librarian
- Court Administrator
- Legal Assistant
- Legal Assistant/Paralegal

Advancement may be based on seniority, experience, advanced degrees, and ability to supervise. A law degree is necessary for top positions.

Employment and Outlook

In 1990, there were approximately 90,000 paralegals employed nationally. It is expected that the number of job openings for paralegals will increase significantly through the year 2005. Competition for jobs should increase as the number of graduates from training programs rises. Still, job prospects are expected to be good for graduates of highly regarded formal programs.

Oklahoma Employment and Outlook

In Oklahoma, 28 job openings for legal assistants are projected annually until the year 2000. Most of these job openings are the result of vacancies created by resignations, promotions, retirements, etc. In 1990, legal assistants held 665 jobs in Oklahoma. They are expected to hold 900 jobs by the year 2000.

Related Education and Training

Level(s) of education and training usually needed for this occupation:

- On-the-job training
- High school diploma or G.E.D.
- Technical, junior or community college
- College bachelor's degree

School subjects helpful in preparing for this occupation include:

- College Preparatory
- Composition • English
- Foreign Languages
- Journalism • Speech
- Math • Business English
- Business Law • Economics
- Government • History
- Humanities • Philosophy
- Political Science • Psychology
- Sociology

More Sources of Information

- National Association of Legal Assistants
  1601 Main, Suite 300
  Tulsa, OK 74119
- American Bar Association
  750 North Lake Shore Drive
  Chicago, IL 60611
- National Paralegal Association
  P.O. Box 406
  Solebury, PA 18963
- National Federation of Paralegal Association
  104 Wilmot Road
  Suite 201
  Deerfield, IL 60015-5195
- American Association for Paralegal Education
  P.O. Box 40244
  Overland Park, KS 66204
- Legal Assistant Management Association
  P.O. Box 40129
  Overland Park, KS 66204

Group 1: Business/Finance

Part C: Office Administration

Clerical Supervisor
Computer & Peripheral Equipment Operator
General Manager & Top Executive
Purchasing Agent
Secretary

CLERICAL SUPERVISOR

Nature of the Occupation

Clerical supervisors in such areas as word processing and stenography are responsible for planning, overseeing and coordinating the activities of a group of workers engaged in clerical functions such as typing, filing and bookkeeping. Evaluation of employees' performance is an essential aspect of the work of clerical supervisors.

Duties may include but are not limited to the following:

- Determining work procedures
- Assigning duties to workers
- Examining work for neatness and accuracy
- Maintaining harmony among workers
- Performing the same duties as clerical staff
- Keeping time reports
- Hiring, training, evaluating and disciplining clerical employees

Occupation Specialties

Steno Pool Supervisors (202.132-010) direct and coordinate the activities of workers engaged in taking and transcribing dictation for correspondence and reports.

Word Processing Supervisors (203.137-010) direct and coordinate the activities of workers who prepare correspondence, records, and reports by use of specialized typing machines (word processing machines).

Typing Section Chiefs (203.137-014) direct and coordinate the activities of typists engaged in transcribing correspondence from written copy and typing reports.

Working Conditions

Clerical supervisors are employed in all types of business and industrial organizations as well as educational institutions and government agencies.

Working conditions vary from simple offices to luxurious surroundings, depending on the type of business one is employed in.

Clerical supervisors usually work a five-day, forty-hour week. Because they are responsible for efficient work flow, they may have to work overtime or occasionally on weekends and holidays.

Many clerical supervisors belong to the Professional Secretaries International and may pay membership fees.

Tools, Equipment and Materials used may include:

- Typewriters
- Calculators
- Sorting Machines
- Time Charts
- Tabulating Machines
- Transcribing Machines
- Telephone (multiline and individual

OCCUPATION SPECIALTIES

DOT CODE:

202.132-010	Supervisor, Steno Pool
203.137-010	Supervisor, Word Processing
203.137-014	Typing Section Chief

SOC CODE: 4513 OES CODE: 51002

OKLAHOMA
CAREER
SEARCH

CLERICAL SUPERVISOR

- Word Processing Machines
- Ledger Books

Worker Requirements

You should like:

- Having business contact with people
- Working with processes and machines

You should be able to:

- Communicate well with others
- Give constructive evaluations
- Deal with a variety of people and situations

Physically you must:

- Coordinate the movements of eyes, hands, and fingers
- Move fingers rapidly and accurately

Opportunities for Experience:

Part-time or summer employment in an office as a file clerk or messenger can help measure interest and ability in performing clerical tasks. Clerical service in a school office, church, or community organization is also good experience. Experience is also available through the military service.

Methods of Entry:

Most clerical supervisors obtain their positions by demonstrating success in clerical work at a lower level and showing leadership ability. Some organizations require special training in supervision. Assistance in locating a job may be available by consulting placement offices and newspaper want ads.

Earnings and Advancement

Earnings of clerical supervisors vary by type, size, and location of the employer. The level of responsibility and degree of specialized knowledge determine the salary offered. Salaries in manufacturing firms and utility companies tend to be higher than those in other organizations.

Earnings:

Clerical supervisors working for both private employers and government agencies earned median weekly salaries of $526 in 1992, for an annual median salary of $27,352. The middle 50 percent earned between $21,200 and $36,890 a year. Ten percent earned less than $16,220 and 10 percent earned more than $47,380.

Fringe Benefits:

Depending on the employer, clerical supervisors may receive paid vacations and holidays; life, accident, disability, and hospitalization insurance; retirement plans; and sick pay. These benefits are usually paid for, at least in part, by the employer.

Career Ladder for this Occupation may look like this:

- Administrator
- Department Supervisor
- Clerical Supervisor
- Clerk

Advancement for clerical supervisors may be measured in terms of periodic salary increases as supervisors acquire experience and assume additional responsibilities.

Employment and Outlook

Nationally, in 1990, there were approximately 1,218,000 clerical supervisors employed. Employment is expected to grow as fast as the average for all occupations through the year 2005. Most job openings will result from the need to replace workers who transfer to other occupations or leave the work force. More clerical work will be generated as the economy grows.

Oklahoma Employment and Outlook

In Oklahoma, 469 job openings for clerical supervisors are projected annually until the year 2000. These job openings represent new job growth as well as vacancies created by those leaving the occupation, promotions, retirements, etc. In 1990, clerical supervisors held 12,497 jobs in Oklahoma. They are expected to hold 14,272 jobs by the year 2000. This is considered an average growth rate due to the large number of clerical supervisors employed in Oklahoma in 1990.

Related Education and Training

Level(s) of education and training usually needed for this occupation:

- High school diploma or G.E.D.
- Technical, junior or community college

School subjects helpful in preparing for this occupation include:

- Bookkeeping
- Business Data Processing
- Business English
- Business Math
- Cooperative Education - Office/Distribution
- General Business
- Shorthand
- Office Practice
- Office Machines
- Psychology

More Sources of Information

- Professional Secretaries International
  10502 NW Ambassador Drive
  Kansas City, MO 64195-0404
- Administrative Management Society
  4622 Street Road
  Trevose, PA 19047
- State Employment Service Offices

COMPUTER & PERIPHERAL EQUIPMENT OPERATOR

Nature of the Occupation

Computer and peripheral equipment operators monitor and control electronic data processing systems which are used to process business, scientific, engineering, or other data.

Duties may include but are not limited to the following:
- Determining appropriate equipment from job set-up instructions
- Setting control switches, selecting and loading data and materials needed for the computer run
- Operating computers
- Operating all peripheral equipment, including printers, disk drives and tape readers
- Preparing printouts and other output for distribution to computer users
- Monitoring the computer and equipment for errors and breakdowns
- Determining reason for errors or breakdown
- Maintaining computer time log
- Supervising operators and trainees on equipment
- Assisting in testing and debugging new programs
- Mantaining computer time log

Occupation Specialties

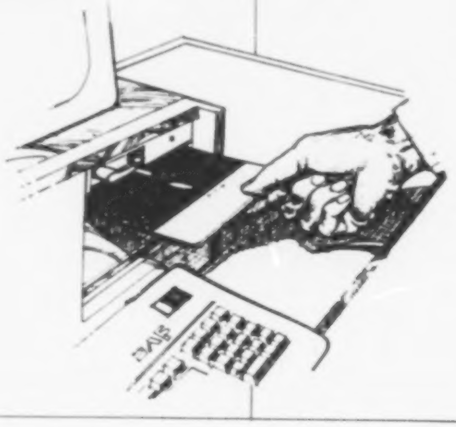
Computer-Peripheral Equipment Operators (213.382-010) control and monitor peripheral machines such as card-tape-converters and high-speed printers used to transfer data from cards and tapes and convert stored data to printed records.

Auxiliary-Equipment Operators (213.685-010) tend machines which sort, assemble, separate, convert or reproduce computer data. These machines include bursting machines, collators, and interpreters.

Working Conditions

Computer and peripheral equipment operators generally work with other people in well-lighted, comfortable surroundings. Because computers must be maintained in a controlled temperature setting, operators usually work in air-conditioned rooms. Much time is spent standing and walking about monitoring and loading the computers. Work areas tend to be noisy.

Computer operators usually work a 5-day, 40-hour week. Overtime, holiday and weekend work may be required to meet specific deadlines. As many computers are in operation 24 hours a day, shift schedules may also be required.



Computer operators may join a union or professional association. Associations may include the American Federation of Information Processing Societies, the Data Processing Management Association and the Association for Computing Machinery. Members of an association or union may pay periodic membership fees.

Tools, Equipment and Materials used may include:
- Input Devices Such as Card or Paper Tape Readers, Magnetic Tape Units and Optical Scanners
- Output Devices Such as High Speed Printers and TV Displays
- Other Devices Such as Consoles, Control Panels,

OCCUPATION SPECIALTIES

DOT CODE:

213.362-010	Computer Operator
213.382-010	Computer-Peripheral Equipment Operator
213.685-010	Auxiliary-Equipment Operator

SOC CODE: 461 OES CODE: 56011, 56014

OKLAHOMA
CAREER
SEARCH

COMPUTER & PERIPHERAL EQUIPMENT OPERATOR

Converters, Programs, Punched Cards, Magnetic Tapes, Flow Charts, Job Streams, Procedures Charts and Related Items.

Worker Requirements

You should like:
- Activities which involve the use of machines, processes, and methods
- Activities of a routine, definite and organized nature

You should be able to:
- Work accurately and logically
- Work under pressure
- Follow instructions

Physically you must:
- Be able to use arms and hands
- See well, either naturally or with correction

Special Requirements:
Small firms generally require at least six months experience in data processing while larger firms offer their own training programs.

Opportunities for Experience:
Co-op programs may be available through vocational centers, local high schools and community colleges. All branches of the military service provide opportunities for experience.

Methods of Entry:
Methods of entering the field include applying directly to employers and taking civil service examinations. Positions may also be located by consulting newspaper want ads, school placement offices or state employment offices.

Earnings and Advancement

Earnings depend upon the employer, operator's experience, and seniority.

Earnings:
Nationally, in 1992, computer operators earned a median salary of $383, for an annual salary of $19,916. In 1992, the beginning salary for computer operators with a high school diploma employed by the federal government was about $13,900. The beginning salary of those with one year of college was $15,656. Applicants with operations experience started at higher salaries.

Operators employed in manufacturing, transportation and public utilities had higher earnings than those in finance and retail trade.

Fringe Benefits:
Depending on the employer, computer operators receive paid vacations and holidays; life, accident, disability and hospitalization insurance; retirement plans and sick pay. These benefits are usually paid for, at least in part, by the employer.

Career Ladder for this Occupation may look like this:
- Supervisor
- Lead Computer Operator
- Senior Computer Operator
- Computer Operator
- Trainee

Computer operator trainees advance to higher positions through a combination of training and experience.

Employment and Outlook

There were approximately 282,000 computer operators and 37,000 peripheral equipment operators employed nationally in 1990. Employment of computer and peripheral equipment operators is expected to grow more slowly than the average for all occupations through the year 2005.

Related Education and Training

Level(s) of education and training usually needed for this occupation:
- On-the-job training
- High school diploma or G.E.D.
- High school diploma with vocational education
- Technical, junior or community college

School subjects helpful in preparing for this occupation include:
- Algebra
- Accounting
- Business Data Processing
- Typing
- Computer Science
- Bookkeeping
- Cooperative Education - Office/Distribution

More Sources of Information

- Data Processing Management Association
  505 Busse Highway
  Park Ridge, IL 60068

- Association for Computing Machinery
  1515 Broadway
  New York, NY 10036

- Association for Computer Operations Management
  742 East Chapman Avenue
  Orange, CA 92666

- Human Resources Management
  Board of Governors of the Federal Reserve System
  20th & Constitution Ave., NW
  Washington, DC 20551

GENERAL MANAGER & TOP EXECUTIVE

Nature of the Occupation

General managers and top executives work with other executives to formulate policies and direct operations of businesses, government agencies, and educational institutions. Their primary objective is to maintain efficiency and profitability.

Duties may include but are not limited to the following:

- Setting general goals and policies in collaboration with other top executives and the board of directors
- Meeting with business and government leaders to discuss policy-related matters
- Direct the operations of firms and agencies
- Oversee departmental executives
- Achieve organization goals quickly and economically

Occupation Specialties

Chief Executive Officers/ Presidents (189.117-026) decide policies and direct operations of organizations.

Department Store Managers (185.117-010) direct activities and formulate and implement policies for sales and other departments.

Bank Presidents (186.117-054) plan and direct policies and practices of banks or other financial institutions.

Brokerage Managers (166.167-046) recruit sales agents and coordinate agencies and home offices of insurance companies.

College Presidents (090.117-034) plan and direct the administration of a school, college, or university.

School Superintendents (099.117-022) direct and coordinate the administration of school systems.

Police Chiefs (375.117-010) direct and coordinate the activities of a municipal police department.

Harbor Masters (375.167-026) direct and coordinate the activities of a harbor police force.

Library Directors (100.117-010) plan and administer library services with the approval of a board of directors.

Working Conditions

General managers work in comfortable offices near the operations they direct or the top executives to whom they report. Presidents work in more lavish offices and often have private rooms, cars, club memberships, and expense allowances that facilitate meetings with other people. Long hours, including evenings and weekends, and business discussions during social engagements are the rule. Travel is frequently required between national, regional and local offices. Top executives may travel to meet their counterparts in other countries. Managers experience considerable pressure to meet goals.

Tools, Equipment and Materials used may include:

- Calculators
- Telephones
- Reports
- Tape Recorders
- Computer Terminals
- Automobiles

- Publications
- Audio-Visual Equipment

Worker Requirements

You should like:

- Making decisions that account for a variety of factors
- Working on a problem until a solution is found
- Working with people and information

You should be able to:

- Evaluate large amounts of information quickly
- Motivate other people effectively
- Communicate clearly and persuasively in speech and writing
- Show flexibility, self-confidence, and decisiveness
- Travel well in cars and airplanes

Physically you must:

- Put in long hours at work
- See and hear well, naturally or with correction

OCCUPATION SPECIALTIES

DOT CODE:		
	189.117-026	Chief Executive Officer/President
	185.117-010	Department Store Manager
	186.117-054	Bank President
	166.167-046	Brokerage Manager
	090.117-034	College President
	090.117-022	School Superintendent
	375.117-010	Police Chief
	375.167-026	Harbormaster
	100.117-010	Library Director

SOC CODE: 1210,1283 OES CODE: 19005, 15005, 21505

OKLAHOMA CAREER SEARCH

GENERAL MANAGER & TOP EXECUTIVE

Special Requirements:

It may be necessary to obtain a bachelor's, master's or doctoral degree for many top positions. Educational majors vary widely. In the public sector, the master's degree in public administration is increasingly important.

Methods of Entry:

Most management and top executive positions are filled by promoting qualified lower-level managers. Some organizations advertise top level positions or solicit for top managers through executive recruitment agencies.

Earnings and Advancement

Top managers in very large corporations may earn many times more than counterparts in smaller firms. Salaries in manufacturing and finance are generally higher than in state and local government. Salaries are also higher in big cities than in small cities.

Earnings:

General managers and top executives are among the highest paid workers in the nation. Salary levels vary substantially depending upon the level of managerial responsibility, length of service, and type, size and location of the firm.

In 1992, top international human resource managers earned about $102,000, while computer networking managers earned an average $62,500 annually. Salaries in manufacturing and finance are generally higher than those for corresponding positions in state and local governments.

Fringe Benefits:

Besides prerequisites such as club memberships and use of company cars, general managers and chief executives receive long paid vacations and holidays; life, accident, hospitalization, and, disability insurance; generous retirement plans; and sick pay. These benefits are paid for by the organization.

Career Ladder for this Occupation may look like this:

- (Retired) Member, Board of Directors
- Chief Executive Officer/President/Partner
- Chief Operating Officer/Vice President
- General Manager
- Departmental/Regional Manager
- Assistant Manager
- Management Trainee

Managers may advance with demonstrated success and leadership.

Employment and Outlook

General managers and top executives held over 3.1 million jobs in 1990. Employment is most concentrated in restaurants, groceries, business services, retail stores, financial institutions, educational institutions, and hospitals. Employment should grow as fast as the average for most fields through the year 2005, but many service industries will expand more than others. Employment should grow rapidly in computer services, management, consulting, public relations, and other business services. Employment should also grow in industries concerned with health and welfare such as medical clinics and social service agencies. Little to no change in employment is expected in some manufacturing industries.

Oklahoma Employment and Outlook

In Oklahoma, 1,116 job openings for general managers and top executives are projected annually until the year 2000. These job openings represent new job growth as well as vacancies created by those leaving the occupation, promotions, retirements, etc. In 1990, general managers and top executives held 39,469 jobs in Oklahoma. They are expected to hold 44,912 jobs by the year 2000. This is considered an average growth rate due to the large number of general managers and top executives already employed in 1990.

Related Education and Training

Level(s) of education and training usually needed for this occupation:

- College bachelor's degree
- College master's degree
- College Ph.D. or professional degree

School subjects helpful in preparing for this occupation include:

- College Preparatory

More Sources of Information

- Information Resource Center
  American Management Association
  135 West 50th Street
  New York, NY 10020

- Human Resources Management
  Board of Governors of The Federal Reserve System
  20th and Constitution Ave., NW
  Washington, D.C. 20551

- Information about general managers and top executives in specific industries may be obtained from directories of industry-specific associations in public libraries.

PURCHASING AGENT

Nature of the Occupation

Purchasing agents buy the machinery, equipment, tools, raw materials, parts, services and supplies necessary for the operation of an organization or business.

Duties may include but are not limited to the following:

- Developing standards for selecting specific material or services
- Reviewing written requests for products and services
- Obtaining information about products and prices
- Determining seller's ability to produce products and services
- Maintaining records on items purchased
- Discussing and taking corrective action on defective purchases

Occupation Specialties

Contract Specialists (162.117-018) negotiate with suppliers to draw up procurement contracts. They direct and coordinate the activities of workers engaged in formulating bid proposals, and administer, extend, terminate and renegotiate contracts.

Outside Property Agents ((162.157-030) locate and arrange for the purchase or rental of props specified for use in motion pictures when such props are not in studio stock and cannot be constructed by studio personnel.

Procurement Engineers (162.157-034) develop specifications and performance test requirements to facilitate the procurement of parts and equipment for aeronautical and aerospace products. They investigate potential suppliers and recommend those who are most desirable.

Purchasing Agents (162.157-038) coordinate the activities that are involved with procuring goods and services, such as raw materials, equipment, tools, parts, supplies and advertising for an establishment. They maintain records, review bid proposals, and negotiate bid and purchase requests.

Procurement Services Managers (162.167-022) direct and coordinate the activities of personnel who are engaged in purchasing and distributing raw materials, equipment, machinery and supplies in industrial plants, public utilities and other organizations.

Purchase-Price Analysts (162.167-030) compile and analyze statistical data to determine how practical it would be to buy certain products and establish price objectives for contract transactions.

Promotion Managers (163.117-010) plan and administer sales policies and programs to foster and promote hotel patronage. They consult newspapers, trade journals and other publications to learn about planned conventions and social functions.

Commissary Superintendents (184.117-078) manage the commissary department of companies that operate sea-going vessels and process requests for supplies and equipment from vessels. They represent the company in contract disputes with the unions, and negotiate contracts with supply houses, manufacturers and wholesalers for equipment, supplies and furnishings.

Working Conditions

Purchasing agents work closely with engineering supervisors, production and marketing personnel, and budget coordinators. Their offices are usually clean, pleasant, and well-lighted.

Purchasing agents usually work a standard 35-40 hour, 5-day week. Overtime work is common; they may spend time after normal working hours to attend meetings, prepare reports, or visit suppliers. Travel is sometimes required to seminars or trade shows.

Purchasing agents may join associations such as the American Management Association and the National Association of Purchasing Management. Members usually pay dues.

Tools, Equipment and Materials used may include:

- Adding Machines
- Calculating Machines
- Computers

OCCUPATION SPECIALTIES

DOT CODE:	162.117-018	Contract Specialist	162.167-022	Procurement Service Manager
	162.157-030	Outside Property Agent	162.167-030	Purchase Price Analyst
	162.157-034	Procurement Engineer	163.117-010	Promotion Manager
	162.157-038	Purchasing Agent	184.117-078	Commissary Agent

SOC CODE: 1449   OES CODE: 21308

OKLAHOMA
CAREER
SEARCH

PURCHASING AGENT

- Telephones
- Record Books and Forms
- Catalogs, Manuals and Trade Journals
- Inventories, Invoices, Purchase Orders and Contracts
- Rate and Price Lists

Worker Requirements

You should like:
- Making decisions
- Activities involving business contact with people

You should be able to:
- Use logical step-by-step procedures in your work
- Communicate and work well with people at all levels
- Perform at an above-average level in math
- Evaluate technical information and arrive at judgments and decisions
- Bargain and persuade
- Direct or plan an activity or the activities of others

Physically you must:
- Talk and hear clearly
- Reach for, handle, and feel objects

Opportunities for Experience:

Summer and part-time work in retail stores and warehouses or in shipping and receiving departments of manufacturing firms may be available through high school placement offices and vocational centers. All branches of the military services offer opportunities for experience.

Methods of Entry:

Methods of entering this occupation include directly applying to employers and taking civil service exams. Positions may also be located by consulting newspaper want ads and state employment offices.

Earnings and Advancement

Earnings depend upon the size of the employer, geographic location, and the employee's responsibilities and experience.

Earnings:

The average annual salary of purchasing agents in 1992 was $29,356. Experienced purchasing agents earned an average salary of $42,000 per year. Purchasing agents with the federal government averaged $23,244 in 1992 and contract specialists averaged $41,509.

Fringe Benefits:

Depending on the employer, purchasing agents may receive paid vacations and holidays, sick leave, medical and life insurance, and retirement plans. These benefits are usually paid for, at least in part, by the employer.

Career Ladder for this Occupation may look like this:
- Manager
- Purchasing Agent
- Assistant Purchasing Agent
- Trainee or Clerk

Purchasing agents may advance through job experience and by demonstrating good judgment in performing various purchasing tasks.

Employment and Outlook

There are approximately 458,000 purchasing agents employed nationally. Employment is expected to increase about as fast as the average for all occupations. The best opportunities will be available for persons with a master's degree in business administration. Graduates of two-year programs in purchasing should find good opportunities in small firms, hospitals, schools, government and service organizations.

Oklahoma Employment and Outlook

In Oklahoma, 99 job openings for purchasing agents are projected annually until the year 2000. These job openings represent new job growth as well as replacement opportunities created by those leaving the occupation, promotions, retirements, etc. In 1990, purchasing agents held 2,632 jobs in Oklahoma. They are expected to hold 3,182 jobs by the year 2000.

Related Education and Training

Level(s) of education and training usually needed for this occupation:
- Technical, junior or community college
- College bachelor's degree

School subjects helpful in preparing for this occupation include:
- College Preparatory
- English
- General Math
- Business Data Processing
- General Merchandising
- Accounting
- Typing
- Economics

More Sources of Information

- National Institute of Governmental Purchasing, Inc.
  115 Hillwood Avenue
  Falls Church, VA 22046
- American Management Associations
  135 West 50th Street
  New York, NY 10020
- National Contract Management Association
  6728 Old McLean Village Dr.
  McLean, VA 22101

SECRETARY

Nature of the Occupation

Secretaries perform a variety of clerical tasks and assume minor executive responsibilities in order to keep the office running smoothly.

Duties may include but are not limited to the following:

- Taking hand or machine dictation
- Typing from dictation or tape-recorded notes
- Writing and typing routine letters and memoranda
- Typing reports
- Maintaining records and time cards
- Performing bookkeeping
- Making travel and hotel reservations
- Greeting callers
- Receiving and placing telephone calls
- Making appointments
- Opening and distributing mail
- Filing

Occupation Specialties

Legal Secretaries (201.362-010) prepare legal papers and correspondence using legal terminology. They also perform general clerical functions.

Medical Secretaries (201.362-014) take case histories from patients and prepare speeches, articles, conference proceedings, medical charts and reports using medical terminology. They also perform general clerical functions.

Administrative Secretaries (169.167-014) handle everything except dictation and typing. Their duties range from filing, routine mail and answering telephones to more complex work such as answering letters, doing research and preparing statistical reports.

School Secretaries (201.362-022) handle secretarial duties in elementary and secondary schools; their duties may include taking care of correspondence, preparing reports and bulletins and maintaining a school calendar.

Working Conditions

Secretaries may work alone or in a large, busy and often noisy office under the supervision of a professional or office manager. Some secretaries may supervise clerks, typists or stenographers.

Secretaries generally work in clean, well-lighted, and comfortable offices with modern, well-maintained equipment. Their jobs often involve sitting for long periods, and typing from materials that are often difficult to read.

Office work lends itself to alternative or flexible working arrangements; many secretaries hold part-time or temporary jobs. Some participate in job-sharing arrangements, where two people divide the responsibility of a single job.

Tools, Equipment and Materials used may include:

- Typewriters
- Transcribing Machines
- Tape Recorders
- Telephone Equipment
- Adding Machines/Calculators
- Copy or Duplicating Machines
- Personal Computers
- Facsimile Machines

Worker Requirements

You should like:

- Activities concerned with the communication of information
- Activities involving business contact with people

You should be able to:

- Communicate and work well with people
- Perform a variety of office duties
- Perform detailed work
- Accept and follow orders
- Make logical decisions based on personal judgment
- Work under pressure at times
- Accept responsibility
- Maintain a neat appearance and pleasant manner

Physically you must:

- Talk and hear
- See well, either naturally or with correction
- Possess good arm, hand and finger coordination

Opportunities for Experience:

Summer and part-time employment in a business office or participation in a co-op program may be available through vocational centers, high schools or colleges.

OCCUPATION SPECIALTIES

DOT CODE:

201.362-030	Secretary
201.362-010	Legal Secretary
201.362-014	Medical Secretary
169.167-014	Administrative Secretary
201.362-022	School Secretary

SOC CODE: 4622 OES CODE: 39999, 55102, 55105, 55108

OKLAHOMA CAREER SEARCH

SECRETARY

All branches of the military service offer opportunities for experience.

Methods of Entry:

Methods of entering this occupation include applying directly to employers and taking civil service exams. Positions may also be located by consulting newspaper want ads, school placement offices or state employment offices.

Earnings and Advancement

Earnings depend upon job responsibilities and the type and size of employer, geographic location and employee's experience, education and skills.

Earnings:

Salaries vary a great deal, reflecting differences in skill, experience and level of responsibility. In 1992 secretaries earned a yearly average of $18,564 or $357 a week.

Salaries in different parts of the country also vary; earnings generally are lowest in southern cities and highest in northern and western cities. Salaries tend to be highest in transportation, legal services and public utilities. They are lowest in retail trade and finance, insurance and real estate.

Fringe Benefits:

Depending on the employer, secretaries may receive paid vacations and holidays; life, accident, disability, and hospitalization insurance; retirement plans and sick pay. These benefits are usually paid for, at least in part, by the employer.

Career Ladder for this Occupation may look like this:

- Office Manager
- Clerical Supervisor Senior/Executive Secretary
- Secretary
- Stenographer
- Clerk/Typist

Secretaries may advance through experience, additional education and supervisory ability. Secretaries with word processing experience can advance to jobs as word processing trainers, supervisors or managers within their own firms or in a secretarial or word processing service bureau. They can also get jobs with manufacturers of word processing or computer equipment in positions such as instructor of sales representative.

Employment and Outlook

In 1990, there were approximately 3,576,000 secretaries employed nationally. Employment is expected to grow about as fast as the average for all occupations through the year 2005. Highly qualified secretaries are in great demand, and this situation is expected to continue. Office automation may simplify the secretary's work; however, it will not reduce the demand for secretaries since many secretarial duties are administrative. Job prospects are excellent for secretaries with strong typing, shorthand and word processing skills. Opportunities are excellent for temporary or part-time work in the secretarial field.

Oklahoma Employment and Outlook

In Oklahoma, 4,183 job openings for secretaries are projected annually until the year 2000. Most of these job openings represent replacement opportunities created by those leaving the occupation, promotions, retirements, etc. rather than new job growth. In 1990, secretaries held 31,719 jobs in Oklahoma. They are expected to hold 36,946 jobs by the year 2000.

Related Education and Training

Level(s) of education and training usually needed for this occupation:

- High school diploma or G.E.D.
- High school diploma with vocational education

Level(s) of education and training also available for this occupation:

- Technical, junior or community college
- College bachelor's degree

School subjects helpful in preparing for this occupation include:

- Composition • Bookkeeping
- Business Data Processing
- Business English
- Business Law • Business Math
- Cooperative Education - Office/Distribution
- General Business • Typing
- General Clerical • Computers
- Office Machines • Shorthand

More Sources of Information

- Office and Professional Employees International Union
  265 West 14th Street
  Suite 610
  New York, NY 10011
- National Association of Legal Secretaries (International)
  2250 East 73rd Street
  Suite 550
  Tulsa, OK 74136-6864
- Education & Professional Development
  Professional Secretaries International
  10502 NW Ambassador Drive
  Kansas City, MO 64195-0404
- Association of Independent Colleges and Schools
  One Dupont Circle, NW
  Suite 350
  Washington, DC 20036

Group 2: Communications

Group 2: Communications

Part A: Human Resources

Personnel & Labor Relations Specialist
Reservation Agent

PERSONNEL & LABOR RELATIONS SPECIALIST

Nature of the Occupation

Personnel, training and labor relations specialists help corporate management make effective use of employees' skills and help employees find satisfaction in their jobs and working conditions. Also known as human resource specialists and managers, these people are responsible for attracting the best employees available and matching them to the jobs they can do best.

Duties may include but are not limited to the following:

- Recruiting, testing and orienting new employees
- Investigating and resolving questions of equal employment
- Preparing job descriptions
- Reporting on the effects of industry trends on workers
- Promoting the use of public employment programs
- Devising ways of assuring fair compensation
- Designing and administering benefits programs
- Planning and implementing employee training programs
- Promoting occupational safety and health
- Negotiating agreements to disputes involving a company
- Supporting management in labor negotiations
- Advising both labor and management to resolve disputes

Occupation Specialties

Personnel Managers (166.117-018) oversee managers of employment, compensation, benefits, training and welfare.

Occupational Analysts (166.067-010) conduct research to classify jobs and describe the effects of trends on workers.

ON
STRIKE
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ON STRIKE
STRIKE

Employee Welfare Managers (166.117-014) provide programs in employee safety, health, recreation, counseling, and other services.

Industrial Relations Directors (166.117-010) formulate policy, oversee labor relations, and negotiate agreements.

Benefits Managers (166.167-018) handle a company's employee benefits, especially health insurance and pensions.

Education and Training Managers (166.167-026) supervise specialists in skill development, learning, and morale.

Labor Relations Managers (166.167-034) support management with wage, law, and other information.

Conciliators (169.207-010) advise labor and management to prevent and resolve disputes over labor issues.

Working Conditions

Personnel specialists generally work in clean, comfortable offices. Personnel and training specialists and managers may work longer hours, especially during labor contract negotiations. Those specialists involved with recruiting efforts travel extensively to attend professional meetings and interview prospective employees at colleges.

Tools, Equipment and Materials used may include:

- Audio-Visual Equipment
- Typewriters
- Government Publications
- Contracts
- Insurance Data
- Reference Books, esp. law
- Statistical Reports
- Computers
- Calculators

Worker Requirements

You should like:

- Working with people and information
- Helping to solve problems
- Planning and implementing plans

You should be able to:

- Perform a variety of duties
- Evaluate information with personal judgment and measurable standards

OCCUPATION SPECIALTIES

DOT CODE:			
166.117-018	Personnel Manager	166.167-018	Benefits Manager
099.167-010	Certification and Selection Specialist	166.167-026	Education and Training Manager
166.067-010	Occupational Analyst	166.167-034	Labor Relations Manager
166.117-010	Industrial Relations Director	169.207-010	Conciliator
166.117-014	Employee Welfare Manager	169.107-010	Arbitrator

SOC CODE: 1230, 1430 OES CODE: 21511, 13005

OKLAHOMA
CAREER
SEARCH

PERSONNEL & LABOR RELATIONS SPECIALIST

- Deal patiently and fairly with other people
- Persuade in speech and writing
- Work effectively under pressure
- Use various equipment, as job requires

Physically you must:
- See and hear well, either naturally or with correction

Special Requirements:

Entry-level jobs in personnel, training, and labor relations generally require a bachelor's degree with a major in personnel administration or industrial and labor relations, but others require a technical or business background, or even a liberal arts education.

Graduate study in industrial or labor relations is increasingly important. A master's degree is desirable for those seeking general and top management positions in all areas; for many of the specialized jobs, it is essential. Speaking and writing effectively is also essential. A Ph.D. is an asset for teaching, writing or consulting work.

Opportunities for Experience:

Background for this occupation includes work with others within an organization, in addition to skills in computer usage, selling, teaching, supervising and volunteering. Business, government, education, social services and the military can provide preparation for this work.

Earnings and Advancement

Earnings:

Starting salaries in 1992 for personnel, training and labor relations specialists averaged $24,023 and, for those employed by the federal government, between $17,500 and $21,630 per year. Median salaries for those with experience were $40,300 annually. Average salaries for selected personnel and labor relations occupations in this category include: industrial/labor relations directors, $67,310; training directors, $53,318; safety specialists, $41,550; compensations supervisors, $37,524; EEO/affirmative action specialists, $34,238; and personnel records specialists, $28,620.

Salaries in the personnel field vary widely depending on the complexity of the job and level of responsibility. The median annual salary for personnel specialists range from $24,600 to $73,645; personnel supervisors/managers, $49,749 to $96,000; and directors of personnel, $46,100 to $102,800.

Fringe Benefits:

Depending on the employer, personnel, training and labor relations specialists may receive vacations and holidays; life, accident, hospitalization and disability insurance; retirement plans; and sick pay. These benefits are usually paid for, at least in part, by the employer.

Career Ladder for this occupation may look like this:
- Partner/Owner of Consulting Firm
- Upper Management
- Director of Personnel Relations
- Manager in a Specific Area
- Specialist in a Specific Area
- On-the-Job Trainee

Personnel, training, and labor relations specialists may advance by demonstrating competence, congeniality, and negotiating abilities.

Employment and Outlook

Personnel, training, and labor relations specialists held about 456,000 jobs in 1990. Specialists accounted for 278,000 positions; the other 178,000 were managers. About 12,000 were self-employed. In 1990, the private sector counted for approximately 85 percent of the jobs. Federal, state and local governments employed about 15 percent of salaried personnel, training and labor relations specialists.

Employment in these occupations should grow faster than the average for all occupations through the year 2005. This will occur mostly in the private sector as employers, concerned about productivity and quality of work, devote greater resources to job-specific training programs.

Oklahoma Employment and Outlook

In Oklahoma, 89 job openings for personnel and labor relations specialists are projected annually until the year 2000.In 1990, personnel and labor relations specialists held 1,885 jobs in Oklahoma. They are expected to hold 2,352 jobs by the year 2000.

Related Education and Training

Level(s) of education and training usually needed for this occupation:
- College bachelor's degree
- College master's degree
- College Ph.D. or professional degree

More Sources of Information

- Society for Human Resource Management
  606 N. Washington Street
  Alexandria, VA 22314
- International Personnel Management Association
  1617 Duke St.
  Alexandria, VA 22314
- American Society for Training and Development
  1630 Duke Street
  Alexandria, VA 22313

RESERVATION AGENT

Nature of the Occupation

Reservation agents work for transportation companies, other businesses and government agencies providing assistance to individuals and groups planning trips.

Duties may include but are not limited to the following:

- Answering questions about schedules and fares
- Planning routes and computing ticket cost
- Making reservations
- Selling tickets
- Maintaining records of tickets and passenger names
- Lifting, checking and weighing baggage
- Announcing arrivals and departures
- Contacting passengers to confirm reservations

Occupation Specialties

Ticket Agents (238.367-026) sell tickets for transportation agencies such as airlines, bus companies, railroads and steamship lines.

Automobile Club Travel Counselors (238.167-014) plan trips, map suitable routes, reserve hotel or motel accommodations, calculate mileage and make bus, train and plane reservations for members of automobile clubs.

Gate Agents (238.367-010) assist passengers and check flight tickets at the entrance gate or station when passengers are boarding or disembarking. They assist passengers to the correct boarding area, check flight tickets, make boarding announcements and assist elderly, disabled or young passengers when they board or depart.

Working Conditions

Reservation agents generally work indoors under the direction of supervisors. Agents and clerks are located throughout the country, although most agents work in downtown ticket and reservation offices and at large metropolitan transportation terminals where most passenger business originates.

Ticket agents usually work 40 hours a week which may include night shift, weekend or holiday work, especially for new employees.

Reservation agents may join a union such as the Air Line Employees Association, International; Transport Workers Union of America; International Association of Machinists and Aerospace Workers; Brotherhood of Railway, Airline and Steamship Clerks; Freight Handlers, Express and Station Employees; Amalgamated Transit Union; and the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America. Members pay dues.

Tools, Equipment and Materials used may include:

- Charts, Forms, Maps & Schedules
- Data Display Systems
- Claim Tags
- Telephone Equipment
- Computer Terminals and Print-Out Equipment

OCCUPATION SPECIALTIES
DOT CODE:
238.367-026 Ticket Agent
238.367-018 Reservations Agent
238.167-014 Travel Counselor, Automobile Club
238.367-010 Gate Agent
SOC CODE: 4644 OES CODE: 53802, 53805

OKLAHOMA CAREER SEARCH

RESERVATION AGENT

- Intercom or Public Address Systems

Worker Requirements

You should like:
- Working with the public

You should be able to:
- Work well with all kinds of people, including angry customers
- Express yourself verbally in a clear, polite manner
- Work in a routine, concrete, and organized manner
- Quickly and continuously perform the same work
- Complete tasks using specific machines, processes, and techniques, including computers

Physically you must:
- Maintain good hearing, either naturally or with correction
- Stand for long periods of time
- Use your hands and arms to reach for and handle objects

Opportunities for Experience:

Part-time work with transportation companies and travel agencies provide useful experience. All branches of the military offer opportunities for experience.

Methods of Entry:

Methods of entering this occupation include applying directly to employers and local unions. Positions may also be located by consulting newspaper want ads, school and college placement offices and state employment offices.

Earnings and Advancement

Earnings depend on the employer, union affiliation and employee's experience and performance.

Earnings:

Nationally, in 1992, reservation agents earned average weekly salaries of $491, for an average yearly salary of $25,532. Beginning agents earned around $14,500 per year.

Fringe Benefits:

Depending on the employer, ticket agents may receive paid vacations and holidays, life and health insurance, retirement plans and sick pay. These benefits are usually paid for, at least in part, by the employers. Ticket agents may also receive free or reduced travel and hotel rates for themselves and members of their families. Those who work evening and night shifts may receive a shift differential.

Career Ladder for this Occupation may look like this:
- Supervisor
- Reservation Agent
- Trainee

Reservation agents may advance through experience, education, and training.

Employment and Outlook

In 1990 there were approximately 150,000 reservation and ticket agents and travel agents employed nationally. Employment is expected to increase faster than the average rate for all occupations as an increasing number of people can afford to travel. There will be an increase in qualified persons who are expected to apply for these jobs, and competition is expected to be keen. Most job openings will arise as experienced agents and clerks transfer to other jobs or leave for other reasons. Airline jobs in particular attract many applicants because of the travel benefits associated with the industry. Employment of reservation agents is sensitive to cyclical swings in the economy.

Oklahoma Employment and Outlook

In Oklahoma, 24 job openings for reservation agents are projected annually until the year 2000. These job openings represent new job growth as well as replacement opportunities created by those leaving the occupation, promotions, retirements, etc. In 1990, reservation agents held 553 jobs in Oklahoma. They are expected to hold 705 jobs by the year 2000. This is considered an average growth rate.

Related Education and Training

Level(s) of education and training usually needed for this occupation:
- On-the-job training
- High school diploma or G.E.D.
- High school diploma with vocational education

Level(s) of education and training also available for this occupation:
- Technical, junior or community college

School subjects helpful in preparing for this occupation include:
- Foreign Languages
- Speech
- General Math
- General Merchandising
- Typing

More Sources of Information

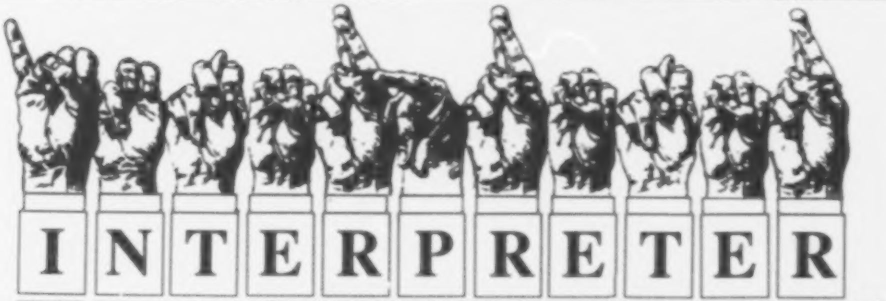
- Air Line Employees Association, International
  5600 South Central Avenue
  Chicago, IL 60638
- Air Transport Association of America
  1301 Pennsylvania Avenue, N.W.
  Washington, DC 20004-1707

Group 2: Communications

Part B: Public Relations

Interpreter & Translator
Public Relations Specialist

INTERPRETER & TRANSLATOR


I N T E R P R E T E R

Nature of the Occupation

Interpreters translate one language to another either orally, written, or in sign language. The interpreter's work may be simultaneous (translating at the same time the speaker is talking) or consecutive (translating after the speaker finishes). Interpreters can be needed in governmental, literary, scientific, technical and commercial workplaces.

Translators translate documents and other materials from one language into another. They may specialize in a type of document or they may be designated according to the language that they translate.

Duties may include but are not limited to the following:

- Listening through earphones to what is being said
- Taking notes on what is being said
- Translating orally, possibly using a microphone
- Editing translations for correctness of grammar and punctuation
- Reviewing finished translations for accuracy and completeness
- Reading a document in one language; then rewriting it into another, following rules of grammar and punctuation

Occupation Specialties

Interpreters (137.267-010) translate spoken passages from one language into another.

Deaf Interpreters (137.267-014) translate spoken material into sign language for the understanding of those individuals who are deaf. They also interpret sign language of the deaf into oral or written language for hearing individuals.

Working Conditions

Interpreters usually work directly with speakers, and translators focus on printed material.

Interpreters may work under short term contracts or on a temporary basis. They may also freelance and work for varied employers. Freelance assignments may range from a few days for a typical conference to several weeks for some escort assignments. Although the hours interpreters work are not necessarily long, they are often irregular. A great deal of travel may be required.

Full-time professional translators working for international business firms or other organizations in the United States usually work a 5-day, 40-hour week.

Tools, Equipment and Materials used may include:

- Earphones
- Microphones
- Dictionaries
- Thesauruses
- Electronic Equipment
- Encyclopedias
- Specialized Reference Books

Worker Requirements

You should like:

- Activities dealing with the communication of data
- Activities involving contact with people
- Activities of an abstract and creative nature

You should be able to:

- Reason logically
- Understand the meaning of words as symbols
- Use language effectively for oral and written communications
- Make decisions based on verifiable information
- Make decisions based on personal judgment

OCCUPATION SPECIALTIES

DOT CODE:

137.267-010	Interpreter
137.267-014	Interpreter, Deaf
137.267-018	Translator

SOC CODE: 329 OES CODE: 39999

OKLAHOMA
CAREER
SEARCH

INTERPRETER & TRANSLATOR

Physically you must:
- Hear and see well, either naturally or with correction
- Speak clearly
- Have full use of hands and fingers

Special Requirements:

Interpreters who work at the United Nations must know at least three of the six official United Nations languages: Arabic, English, French, Spanish, Russian, and Chinese.

Conference interpreters must have at least a bachelor's degree, experience as an interpreter, and pass a 2-hour examination which tests aptitude for interpreting, given by the Language Services Division of the U.S. State Department.

A voluntary accreditation program is available through the American Translators Association, which is the largest proessional society of translators in the United States.

Opportunities for Experience:

School foreign language clubs, residing in foreign countries, government programs such as the Peace Corps, and the military services offer experience in this area.

Methods of Entry:

Methods of entering this occupation include directly applying to appropriate business firms and other agencies, such as the United Nations or press services, and taking civil service exams.

Earnings and Advancement

Earnings of interpreters and translators depend upon the type of work done as well as the ability and performance of the individual.

Earnings:

Graduates of bachelor's degree programs in humanities, with a major in foreign language studies (in 1992) had beginning salary offers averaging about $20,698 per year. Graduates of master's degree programs in foreign languages had average offers of $27,300 per year.

Interpreters and translators working for the federal government usually start at the GS-5 level, which, in 1992, paid $17,633 or at the GS-7 level, which paid $21,840 per year. After several years, interpreters and translators may advance to the GS-11 level, which pays $32,326 per year. Supervisors and administrators earn more.

Fringe Benefits:

Full-time interpreters and translators employed by multinational companies may receive paid vacations and holidays; life, accident, disability, and hospitalization insurance; retirement plans; and sick pay. These benefits are usually paid for, at least in part, by the employer. Interpreters working for the United Nations earn tax-free salaries. In addition, international organizations often pay supplementary living and family allowances. Freelance work in this field offers less in fringe benefits.

Career Ladder for this Occupation may look like this:
- Conference Level Interpreter
- Escort Interpreter
- Manager of Translating Unit
- Translator

Employment and Outlook

Little change is expected in the number of full-time interpreters through 1990. Most interpreters are employed at the United Nations. Most opportunities should result from replacement needs. Any increase in demand should be met by the existing pool of freelance workers. Qualified interpreters may find work in Europe where the demand is greater than in the United States. Interpreters for the deaf may be employed by television networks, particularly in relation to programs televised by the public broadcasting system.

Related Education and Training

Level(s) of education and training usually needed for this occupation:
- College bachelor's degree
- College master's degree

Level(s) of education and training also available for this occupation:
- College Ph.D. or professional degree

School subjects helpful in preparing for this occupation include:
- College Preparatory
- English
- Speech
- Composition
- Foreign Languages

More Sources of Information

- American Translators Association
  109 Croton Avenue
  Ossining, NY 10562

- American Association of Language Specialists
  1000 Connecticut Ave., NW
  Suite 9
  Washington, DC 20036

- American Society of Interpreters
  P.O. Box 9603
  Washington, DC 20016

- Division of Interpretation and Translation
  225 Intercultural Center
  Georgetown University
  Wasington, DC 20057-0993

PUBLIC RELATIONS SPECIALIST

Nature of the Occupation

Public relation specialists plan and conduct public relations programs to promote products, ideas, companies or people. They influence opinions through promotional techniques and two-way communication.

Duties may include but are not limited to the following:

- Determining the needs of the organization or individual
- Preparing and distributing fact sheets, photographs, articles, news releases, and/or promotional booklets
- Making speeches, conducting research
- Directing advertising campaigns in all types of media
- Coordinating special exhibits, contests, or luncheons into the total public relations plan

Occupation Specialties

Lobbyists (165.017-010) contact and confer with members of the legislature and other holders of public office to persuade them to support legislation favorable to their clients' interests.

Fundraising Directors (165.117-010) direct and coordinate the solicitation and disbursement of funds for community social-welfare organizations. They establish fund-raising goals according to the financial need of the agency and formulate policies for collecting and safeguarding the contributions.

Funds Development Directors (165.117-014) plan, organize and coordinate ongoing and special project funding programs for museums, zoos, public broadcasting stations and similar institutions. They prepare a statement of planned activities and enlist support from members of the institution staff and volunteer organizations.

Public Relations Representatives (165.167-014) plan and coordinate public relations programs that are designed to create and maintain a favorable public image for employers and clients.

Sales-Service Promoters (165.167-010) generate sales and create good will for a firm's products by preparing displays and touring the country. They call on merchants to advise them of ways to increase sales and demonstrate products.

Working Conditions

Public relations specialists may work alone or with a team on a particular project. The work is often done in comfortable, well-lighted, and ventilated offices. Public relations specialists usually work 35 to 40 hours a week, 5 days a week, preparing and delivering speeches, attending meetings and community activities, and out-of-town travel. Their schedules may often have to be rearranged in order to meet deadlines, or if there is a change in their activities. Many times overtime is required and sometimes specialists are on call around the clock, especially if there is an emergency or crisis.

Public relations specialists may belong to the Public Relations Society of America. Members pay periodic dues.

Tools, Equipment and Materials used may include:

- Typewriters • Telephones
- Showcases • Cameras
- Charts • Interview Rooms
- Audiovisual Equipment
- Account Records
- Surveys and Reports

Worker Requirements

You should like:

- Communicating with people
- Abstract and creative work
- Troubleshooting and problem-solving

You should be able to:

- Be persuasive and react to people's ideas and attitudes

OCCUPATION SPECIALTIES

DOT CODE: 165.067-010 Lobbyist
165.117-010 Fundraising Director
165.117-014 Funds Development Director
165.167-010 Sales-Service Promoter
165.167-014 Public Relations Representative

SOC CODE: 332 OES CODE: 34008

OKLAHOMA CAREER SEARCH

PUBLIC RELATIONS SPECIALIST

- Project self-confidence and speak clearly and calmly
- Effectively communicate ideas and information both verbally and in writing
- Evaluate information and make quick judgments and decisions
- Plan, control and complete projects from start to finish
- Deal with all types of people in various situations

Physically you must:
- Lift and carry light materials
- See and hear well, either naturally or with correction
- Deal calmly with stressful and emotional situations

Opportunities for Experience:
Summer work at radio and television stations, at newspaper offices and volunteer work with charitable and community organizations can provide experience in this field.

Methods of Entry:
One method is to apply directly to civil service offices, advertising agencies, newspapers, radio and television stations, businesses or industries. Assistance may also be obtained from college placement offices and newspaper want ads.

Earnings and Advancement

Earnings vary by the type of business, location and size of employer. Private consulting firms generally pay more than companies that have their own public relations departments. Those who work in public relations firms often receive substantial salary increases based on successful performance.

Earnings:
In 1992 public relations graduates earned an average starting salary of $20,735. Average earnings for experienced specialists were $31,720. The middle 50 percent earned between $21,260 and $43,460 a year. The top 10 percent of public relations practitioners in all organizations earned an average salary of more than $55,120, and the lowest 10 percent earned less than $15,900.

Median salaries vary widely by type of employer. Manufacturers, utilities and public relations counseling firms are among the highest paying employers; museums and miscellaneous nonprofit organizations, religious and charitable organizations, and hotels and resorts are among the lowest paying employers.

In the federal government, those with a bachelor's degree generally earned starting salaries of $21,630 a year in 1992; those with a master's degree, $26,471. Public affairs specialists in the federal government averaged $42,745 in 1992.

Fringe Benefits:
Public relations specialists may receive an expense account, hospital and life insurance, sick leave, paid vacations and holidays, and retirement plans. These benefits are usually paid for, at least in part, by the employer.

Career Ladder for this Occupation may look like this:
- Own Business
- Supervisor
- Public Relations Specialist
- Public Relations Trainee

A successful career depends on individual ability, initiative, self-confidence, desire, capacity for hard work and experience.

Employment and Outlook

Nationally, there are approximately 91,000 public relations specialists employed. Employment is expected to grow as fast as the average for all occupations as corporations, associations, medical centers and other large organizations expand their public relations efforts. There will be keen competition for beginning jobs since the diversified nature of the occupation attracts many applicants. Prospects for a career in public relations are best for highly-qualified applicants—talented people with sound academic preparation and some media experience.

Oklahoma Employment and Outlook

In Oklahoma, 45 job openings for public relations specialists are projected annually until the year 2000. In 1990, public relations specialists held 1,000 jobs in Oklahoma. They are expected to hold 1,143 jobs by the year 2000.

Related Education and Training

Level(s) of education and training usually needed for this occupation:
- Technical, junior or community college
- College bachelor's degree
- Internship

School subjects helpful in preparing for this occupation include:
- College Preparatory
- Composition
- Journalism
- Humanities
- Political Science
- Advertising
- Business Courses
- English
- Speech
- Psychology
- Sociology
- Creative Writing

More Sources of Information

- American Assn. of Advertising Agencies
  666 Third Avenue
  New York, NY 10017
- Local, State, and Federal Civil Service Offices

Group 2: Communications

Part C: Telecommunications

Communications Equipment Mechanic

COMMUNICATIONS EQUIPMENT MECHANIC

Nature of the Occupation

Communications systems mechanics install, repair, and maintain a wide variety of complex and sophisticated communications equipment. Most work in telephone company central offices or on customer's premises to install and repair telephone switching and transmission systems.

Duties may include but are not limited to the following:
- Install, setup, rearrange, replace, and remove the complex switching and dialing equipment used in central offices
- Test, repair, and maintain all types of local and toll switching equipment that automatically connects lines when customers dial numbers
- Locate problems by using testboards or by entering instructions into a computer terminal

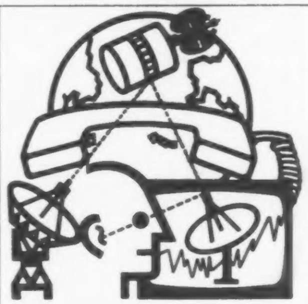
Occupation Specialties

Instrument Repairers (722.281-010) repair, test, and modify telephone and telegraphic equipment.

Central-Office Repairer Supervisors (822.131-010) supervise and coordinate workers who construct, install, test, maintain, and repair electric power equipment.

Office Electricians (822.261-010) adjust submarine cable and terminal circuits and rearrange connections in cables.

Central Office Repairers (822.281-014) test, analyze defects, and repair telephone circuits and equipment in central telephone company offices.



PBX Repairers (822.281-022) analyze and repair defects in telephone switchboards, teletypewriters, and mobile radiophones.

Central-Office Installers (822.361-014) install equipment used to select, connect, and disconnect telephone lines in the telephone company central office.

PBX Installers (822.381-018) install telephone switchboards, telephoto circuits, mobile radiotelephones, and teletypewriters.

Trouble Locators (822.361-030) locate malfunctions in telephone and telegraph lines and coordinate corrective work of maintenance crews.

Frame Wirers (822.684-010) connect wires from telephone lines and cables to distributing frames in telephone company central offices.

Working Conditions

Many communications workers are on shift work that must be staggered to cover 24 hours a day, 7 days a week, including holidays. Workers may be on 24-hour call in case of emergency. Surroundings are usually clean, well-lighted and air conditioned. Some jobs may involve climbing ladders and the danger of electrical shock.

Tools, Equipment and Materials used may include:
- Blueprints
- Circuit Diagrams
- Electrical Schematics
- Floor Plans
- Soldering Guns
- Pliers
- Computer Terminals
- Signal Generators
- Ohmmeters
- Oscilloscopes
- Hoists
- Screwdrivers
- Testboards

Worker Requirements

You should like:
- Performing activities of a technical nature
- Close work with wiring and tools
- Performing activities requiring arithmetic, logic, and reading

You should be able to:
- Perform duties that change frequently
- Work independently, without close supervision
- Make decisions using standards that can be measured or checked
- Work within precise limits or standards of accuracy
- Cooperate with others
- Communicate well

Physically you must:
- Climb and maintain balance while working on ladders

OCCUPATION SPECIALTIES

DOT CODE:

822.281-014	Central-Office Repairer
822.361-014	Central-Office Installer
822.684-010	Frame Wirer
822.361-030	Trouble Locator, Test Desk
822.381-018	PBX Installer
822.281-022	PBX Repairer
822.131-010	Central-Office Repairer Supervisor
722.281-010	Instrument Repairer
822.261-010	Office Electrician

SOC CODE: 6151 OES CODE: 85599, 81002, 85502, 83002, 85505

OKLAHOMA
CAREER
SEARCH

COMMUNICATIONS EQUIPMENT MECHANIC

- Handle, reach, finger, and feel small tools
- Hear and see well, including colors, naturally or with correction

Special Requirements:
Prospective communications equipment mechanics should develop their skills through experience in data systems technology or computer maintenance; in the military; or by completing an associate degree or a postsecondary vocational school program in telecommunications technology, electronics, computer maintenance, or related subjects.

Opportunities for Experience:
Experience may be gained in the military, through employment in data systems technology or computer maintenance or through vocational training.

Methods of Entry:
Methods of entry include direct applying to employers; consulting newspaper ads; visiting placement centers or state employment offices; or in-house promotion in companies that provide training.

Earnings and Advancement

Wage rates for communications equipment mechanics vary by employer and locality; specific information may be obtained from local telephone companies.

Earnings:
Central office installers, central office technicians, and PBX installers represented by the Communications Workers of America earned an average weekly salary of $738 or $38,376 annually in 1992; frame attendants averaged $615 per week or $31,980 a year.

Central office telephone craft workers and PBX installers and repairers usually earn more than other communications equipment mechanics. Union contracts require extra pay for work in excess of 8 hours per day or 5 days a week, for all work on Sundays and holidays, and for nightwork.

Fringe Benefits:
Union contracts stipulate paid holidays and vacations based on time in service. Other benefits include paid sick leave; group life, medical, and dental insurance; vision care; sickness and accidental benefits; educational benefits; retirement and disability pensions; a savings plan; and an employee stock ownership plan.

Career Ladder for this Occupation may look like this:
- Central-Office Repairer or Instrument Repairer
- Trouble Locator
- Frame Wirer
- Trainee

Employment and Outlook

Communications equipment mechanics held about 125,000 jobs in 1990. Employment of communications equipment mechanics is expected to decline through the year 2005 due to increased computerization. Most job openings will occur as workers transfer to other occupations or leave the labor force. It will become increasingly difficult for workers to transfer to different jobs within the system or move up the career ladder without both formal training and experience.

Related Education and Training

Level(s) of education and training usually needed for this occupation:
- On-the-job training
- Technical, junior or community college

School subjects helpful in preparing for this occupation include:
- Blueprint Reading
- Shop Math
- Electricity & Electronics
- Shop Mechanics

More Sources of Information

- Communications Workers of America
  1925 K Street, NW
  Washington, DC 20006

- United States Telephone Association
  900 19th Street, NW, Suite 800
  Washington, DC 20006

Group 3: Logistics

Group 3: Logistics

Part A: Heavy-Equipment Operators

Crane, Derrick, and Hoist Operator
Fork Lift Operator

CRANE, DERRICK, AND HOIST OPERATOR

Nature of the Occupation

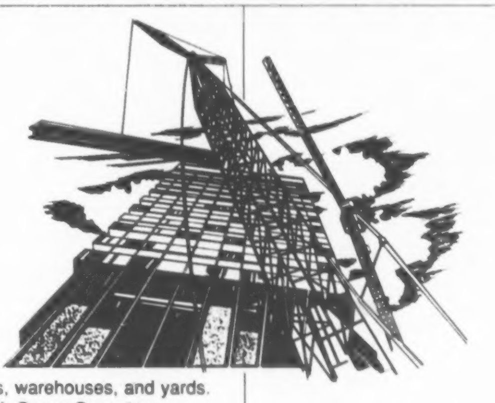
Crane, derrick, and hoist operators operate equipment to hoist, move, and place materials and objects using such attachments as slings, electromagnets, hooks, buckets, demolition balls and clamshells.

Duties may include but are not limited to the following:
- Starting the hoist engine and moving levers to wind or unwind cable on the drum
- Moving brake lever and throttle to stop, start, and regulate the speed of the drum
- Repairing, maintaining, and adjusting equipment
- Moving levers and pedals to rotate the crane and to raise and lower the crane boom, load lines, and drag lines
- Cleaning and lubricating equipment

Occupation Specialties

Hoisting Engineers (921.663-030) operate compressed air, diesel, electric, gasoline, or steam drum hoists to control movement of cableways, derricks, draglines, railcars, or ships in order to move workers and materials for construction, mining and other industrial operations.

Bridge or Gantry Crane Operators (921.663-010) operate electric-powered bridge or gantry cranes that have a movable hoist and operator's cab mounted on a bridge that runs along an overhead track or along a floor track. They are used to lift and position loads of equipment and loose materials in factories, warehouses, and yards.



Truck-Crane Operators (921.663-062) operate gasoline or diesel-powered cranes that are built on a special truck chassis which is driven to work sites.

Scraper-Loader Operators (921.663-050) operate hoisting engines and cable-drawn scrapers or scoops to load coal, ore, or rock into mine cars or onto conveyors in underground mines.

Derrick-Boat Operators (921.683-034) operate derricks mounted on boats or barges to lift and move heavy objects.

Working Conditions

Manufacturing crane operators work in factories, warehouses, or yards. They may work alone or with other workers such as riggers. Construction crane operators usually work with construction crews. Derrick and hoist operators may work in construction, logging, mining, sawmill, and other industrial operations.

Crane, derrick, and hoist operators are exposed to dirt, dust, and noise while working. Operators working in manufacturing usually work 40 hours a week; however, overtime, shift and weekend work may be required. Construction operators usually work 40 hours, although overtime is often necessary to finish a job; their work is dependent upon the weather. Travel or living in temporary quarters may be required for job sites away from home.

Crane, derrick, and hoist operators may belong to the International Union of Operating Engineers or to unions representing the workers in the industry in which they are employed.

Worker Requirements

You should like:
- Working with equipment and machinery
- Working outdoors

You should be able to:
- Perform routine, repetitive work
- Work within precise limits or standards of accuracy
- Work with your hands

OCCUPATION SPECIALTIES

DOT CODE:

921.663-030	Hoisting Engineer
921.663-010	Bridge or Gantry-Crane Operator
921.663-062	Truck-Crane Operator
921.663-050	Scraper-Loader Operator
921.683-034	Derrick-Boat Operator

SOC CODE: 831 OES CODE: 97951, 97941, 97944

OKLAHOMA
CAREER
SEARCH

CRANE, DERRICK, AND HOIST OPERATOR

- Picture solid objects from drawings or diagrams
- Follow instructions given (both verbally and with hand signals)
- Judge distances and heights accurately
- Accept responsibility and work under pressure

Physically you must:
- Reach for, handle, and feel objects
- Possess good eye-hand-foot coordination
- See well, either naturally or with correction
- Be in good health

Opportunities for Experience:
Summer or part-time work as a laborer or operator's helper will provide opportunities to observe the work. Experience is also available through a formal apprenticeship program.

Methods of Entry:
Methods of entering this occupation include directly applying to employers and completing an apprenticeship program. Positions may also be located by consulting local unions, newspaper want ads, and state employment offices.

Earnings and Advancement

Earnings depend upon the industry, type of machine operated, geographic location, and steadiness of employment.

Earnings:
The median earnings of crane, derrick and hoist operators in 1992 were $518 per week, or $26,936 per year. Experienced crane operators averaged earnings of $26,167 per year in 1992 while experienced hoist and derrick operators averaged $29,202 and $22,612 respectively. Annual earnings of some workers are lower than rates indicate because bad weather can limit the amount of time worked.

Fringe Benefits:
Depending on the employer, crane, derrick, and hoist operators can receive paid holidays, health and life insurance, and pension plans either directly from the employer or through a union fund.

Career Ladder for this Occupation may look like this:
- Supervisor
- Qualified Operator
- Apprentice

Crane, derrick, and hoist operators may advance through experience and leadership ability.

Employment and Outlook

There were approximately 62,000 crane, derrick, and hoist operators employed nationally in 1990. Employment is expected to grow more slowly than the average through the year 2000. Since the construction industry is sensitive to economic conditions, employment of crane, derrick and hoist operators fluctuates widely from year to year. Automation of materials handling may limit the growth of these occupations but new openings will occur as workers leave the labor force or transfer to other industries.

Oklahoma Employment and Outlook

In Oklahoma, 31 job openings for crane, derrick, and hoist operators are projected annually until the year 2000. These job openings represent new job growth as well as vacancies created by those leaving the occupation, promotions, retirements, etc. In 1990, crane, derrick and hoist operators held 431 jobs in Oklahoma. They are expected to hold 595 jobs by the year 2000. This is considered a fast growth rate due to the relatively small number of crane, derrick, and hoist operators employed in Oklahoma in 1990.

Related Education and Training

Level(s) of education and training usually needed for this occupation:
- On-the-job training
- High school diploma or G.E.D.
- Technical, junior or community college
- Apprenticeship

School subjects helpful in preparing for this occupation include:
- Auto Mechanics
- Drivers' Training

More Sources of Information

- Director, Construction Ed. Services
  Associated General Contractors of America
  1957 E Street, NW
  Washington, DC 20006

- Director of Research and Education
  International Union of Operating Engineers
  1125 17th Street, NW
  Washington, DC 20036

- Home Builders Institute
  1090 Vermont Avenue
  Washington, DC 20005

- Associated Builders & Contractors
  729 15th Street, NW
  Washington, DC 20005

- State Employment Offices

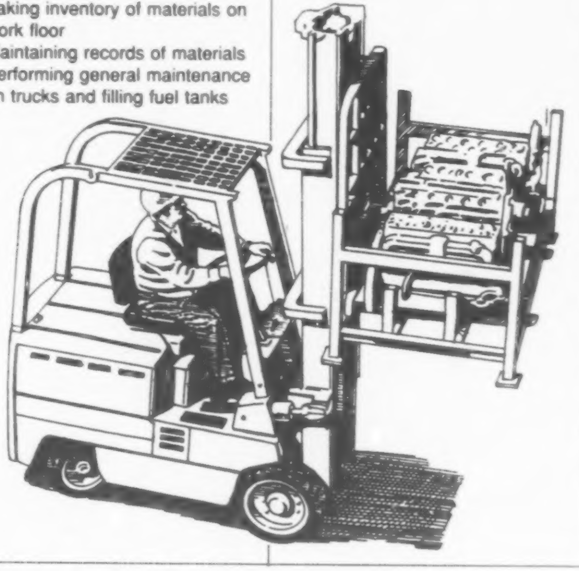
FORK LIFT OPERATOR

Nature of the Occupation

Forklift operators drive industrial trucks or tractors equipped with a forklift, elevating platform, or trailer hitch. These trucks or tractors push, pull, lift, stack, or tier merchandise, equipment, or bulk materials.

Duties may include but are not limited to the following:

- Operating trucks and controls
- Positioning forks or other lifting devices under materials
- Unloading and stacking material by raising and lowering lift
- Loading and unloading materials manually
- Hooking tow trucks to trailer hitches and transporting materials
- Taking inventory of materials on work floor
- Maintaining records of materials
- Performing general maintenance on trucks and filling fuel tanks



Occupation Specialties

Straddle-Truck Operators (921.683-070) drive four-wheeled vehicles that carry loads of material beneath an elevated frame. Straddle trucks are used for short hauls within or near a plant.

Tractor Operators (929.683-014) drive a gasoline or diesel-powered tractor to move materials, pull out objects imbedded in the ground, or pull the cable of a winch to raise, lower, or load heavy material.

Logging Tractor Operators (929.683-010) drive tractors equipped with hoisting rack, crane boom, bulldozer blade, or other device to load or unload logs, pull stumps, or clear brush.

Working Conditions

Forklift operators receive general instructions about moving materials, supplies or merchandise from the warehouse supervisor or other supervisors.

Forklift operators may work inside buildings or outdoors. Greater use of quieter, more comfortable and better handling trucks has improved working conditions for all types of industrial truck operators.

Forklift operators must take care to avoid injury from objects that fall while being lifted. With the adoption of overhead guards on forklift trucks, jobs for forklift operators have become much safer.

Forklift operators usually work an 8-hour day, 5 days a week. Overtime work may be required.

Forklift operators may join a union such as the Teamsters or industrial union representing the workers in the plant in which they work. Members usually pay dues.

Tools, Equipment and Materials used may include:

- Electric Hoist
- Conveyor
- Metal Hook
- Attachments

Worker Requirements

You should like:

- Activities dealing with things and objects
- Using machines and mechanical

OCCUPATION SPECIALTIES

DOT CODE:

921.683-050	Industrial Truck Operator
921.683-070	Straddle-Truck Operator
929.683-014	Tractor Operator
929.683-010	Logging Tractor Operator

SOC CODE: 8318 OES CODE: 97947, 73011

OKLAHOMA
CAREER
SEARCH

FORK LIFT OPERATOR

processes
- Activities of a routine, organized nature

You should be able to:
- Demonstrate mechanical aptitude
- Work within precise limits or standards of accuracy
- Judge heights and distances
- Read labels and instructions and write legibly
- Continuously perform the same work

Physically you must:
- See well, either naturally or with correction
- Possess good hand-eye-foot coordination
- Have full use of arms, hands, legs, and feet
- Have a good sense of balance
- Carry objects weighing up to 50 pounds

Opportunities for Experience:

Part-time and summertime employment in warehouses, manufacturing firms, and on construction sites may provide helpful experience. All branches of the military service offer opportunities for experience.

Methods of Entry:

Methods of entering this occupation include directly applying to employers and unions. Positions may also be located by consulting newspaper want ads and state employment offices.

Earnings and Advancement

Earnings depend on the type of employer, geographic location, union affiliation, and employee's experience.

Earnings:

The median weekly wage for forklift operators in 1992 was $422 for an average annual salary of $21,944. Operators just beginning to learn the skills earned approximately $14,902 annually.

Fringe Benefits:

Depending on the employer, forklift operators may receive paid vacations and holidays; life, accident, disability and hospitalization insurance; retirement plans; and sick pay. These benefits are usually paid for, at least in part, by the employer.

Career Ladder for this Occupation may look like this:
- Supervisor
- Forklift Operator
- Trainee

Forklift operators may advance through experience and additional training or education.

Employment and Outlook

There were approximately 431,000 industrial truck/tractor equipment operators employed nationally in 1990. Employment is expected to increase more slowly than the average for all occupations through the year 2005 as a result of the improved maneuverability and efficiency of industrial trucks and tractors. While the volume of goods to be moved will increase as the economy grows, material handling systems in large factories and warehouses will continue to become more automated, resulting in fewer jobs.

Related Education and Training

Level(s) of education and training usually needed for this occupation:
- Less than high school diploma
- On-the-job training
- High school diploma or G.E.D.
- Apprenticeship

School subjects helpful in preparing for this occupation include:
- Auto Mechanics
- Drivers' Training

More Sources of Information

- Trucking Management
  2233 Wisconsin Avenue, NW
  Suite 412
  Washington, DC 20007

- International Brotherhood of Teamsters, Chauffeurs, Warehousemen, and Helpers of America
  25 Louisiana Avenue, NW
  Washington, DC 20001

- International Union of Operating Engineers
  1125 17th Street, NW
  Washington, DC 20036

- Factories, Warehouses, Terminals, and Freight and Lumber Yards

- State Employment Offices

Group 3: Logistics

Part B: Inspectors

Construction & Building Inspector
Inspector & Compliance Officer

CONSTRUCTION & BUILDING INSPECTOR

Nature of the Occupation

Construction and Building Inspectors examine public and private construction projects to ensure compliance with building codes and ordinances, zoning regulations and contract specifications.

Duties may include but are not limited to the following:

- Inspecting buildings, dams, highways or bridges
- Inspecting wiring, fixtures, plumbing and sewer systems, and fire sprinkler systems for safety
- Preparing reports concerning violations not corrected
- Interpreting blueprints and specifications
- Verifying levels, alignment, and elevation of installations
- Reviewing requests for and issuing building permits

Occupation Specialties

Building Inspectors (168.167-030) make on-site inspections of new and existing buildings to enforce conformance to state and city building codes, zoning laws, and approved standards.

Electrical Inspectors (168.167-034) check electrical installations for conformance to safety laws and ordinances.

Plumbing Inspectors (168.167-050) check plumbing installations for conformance to governmental codes, sanitation standards, and construction specifications.

Construction Inspectors (182.267-010) employed in the construction industry examine and oversee the construction of bridges, dams, highways, and other types of construction work to ensure that procedures and materials comply with specifications.

Elevator Inspectors (168.167-038) examine the safety of lifting and conveying devices such as elevators, escalators, ski lifts and amusement rides.

Mechanical Inspectors (168.167-046) examine the installation of kitchen appliances, heating and air conditioning equipment and gasoline tanks to ensure that they comply with safety standards.

Working Conditions

Construction inspectors work under general supervision. They work closely with construction superintendents, engineers, and skilled craft workers.

Construction inspectors spend about half their time in an office reviewing blueprints, writing reports, and scheduling inspections. The rest of their time is spent traveling to construction sites.

The average work week is normally 40 hours. Inspection work tends to be steady, year round. Inspectors may spend a large portion of their time traveling and they may be required to provide their own cars.

Tools, Equipment and Materials used may include:

- Federal, State & City Statute Books
- Blueprints & Charts
- Reference Books
- Surveyor's Level & Transit
- Measuring Instruments
- Voltmeters
- Ammeters

Worker Requirements

You should like:

- Activities of a scientific, technical nature

You should be able to:

- Communicate and work well with people at all levels
- Use math accurately
- Picture three-dimensional objects from drawings and diagrams
- Keep detailed records

OCCUPATION SPECIALTIES

DOT CODE:

168.167-030	Inspector, Building	182.267-010	Construction Inspector
168.167-034	Inspector, Electrical	168.167-038	Elevator Inspector
168.167-050	Inspector, Plumbing	168.167-046	Mechanical Inspector

SOC CODE: 1472 OES CODE: 21908

OKLAHOMA CAREER SEARCH

CONSTRUCTION & BUILDING INSPECTOR

Physically you must:

- Maintain good vision and hearing, either naturally or with correction
- Reach, handle, and finger objects
- Stand and walk for long periods
- Climb and maintain your balance while inspecting buildings

Special Requirements:

To become an inspector, several years of experience as a construction contractor, supervisor, or skilled worker is generally required. Inspectors must also have valid drivers' licenses.

Opportunities for Experience:

Individuals wishing to explore the occupation may work as helpers to skilled craft workers. Part-time work may be available in small communities.

Methods of Entry:

Apply directly to federal, state, and local civil service offices. Jobs may be located by consulting college placement offices, newspaper want ads, and trade publications.

Earnings and Advancement

Earnings of inspectors depend upon job specialty, geographic location, and amount and nature of an individual's work experience. Salaries are usually set by local governments according to civil service regulations.

Earnings:

Nationally, in 1992, the median earnings of construction inspectors were $615 per week ($31,980 annually) while building inspectors earned $630 per week ($32,760 annually).

Inspectors employed by the federal government earned an average income of $30,223 in 1992.

Fringe Benefits:

Fringe benefits received by inspectors may include paid holidays and vacations; sick leave; health, life, and disability insurance; and a company car. These benefits are usually paid for, at least in part, by the employer.

Career Ladder for this Occupation may look like this:

- Supervisor
- Chief Building Inspector
- Building Inspector
- Skilled Craft Worker
- Trainee

An engineering degree is often needed in order to advance to supervisory inspector. Advancement in government agencies is usually through competitive examination.

Employment and Outlook

There were approximately 60,000 construction and building inspectors employed nationally in 1990. Employment is expected to grow as fast as the average for all occupations through the year 2005. Increases in construction activity and concern for public safety should spur the demand for these occupations. Engineers, maintenance supervisors, and construction managers are able to fulfill many of the duties of a construction inspector, thereby limiting job opportunities. Best prospects are available for highly experienced craft workers who have some college training or who are certified.

Oklahoma Employment and Outlook

In Oklahoma, 18 job openings for construction and building inspectors are projected annually until the year 2000. These job openings represent new job growth as well as vacancies created by those leaving the occupation, promotions, retirements, etc. In 1990, construction and building inspectors held 489 jobs in Oklahoma. They are expected to hold 547 jobs by the year 2000. This is considered an average growth rate.

Related Education and Training

Level(s) of education and training usually needed for this occupation:

- On-the-job training
- Technical, junior or community college

Level(s) of education and training also available for this occupation:

- College bachelor's degree

School subjects helpful in preparing for this occupation include:

- Blueprint Reading • Drafting
- Woodshop • Shop Math
- Building Trades & Carpentry

More Sources of Information

- International Conference of Building Officials
  5360 S. Workman Mill Road
  Whittier, CA 90601
- International Association of Electrical Inspectors
  930 Busse Highway
  Park Ridge, IL 60068
- National Conference of States on Building Codes and Standards
  505 Huntmar Drive, Suite 210
  Herndon, VA 22070
- International City Management Association
  1120 G Street, NW, Suite 300
  Washington, DC 20005
- Home Builders Institute
  15th and M Streets
  Washington, DC 20005
- Southern Building Code Congress International
  900 Montclair Rd.
  Birmingham, AL 35213

INSPECTOR & COMPLIANCE OFFICER

Nature of the Occupation

Inspectors and compliance officers examine, test, and investigate the conditions of plants and animals, the quality of consumer services and products, and the operation of businesses to verify and enforce compliance with public laws, regulations, and standards for health, safety, and other matters.

Duties may include but are not limited to the following:
- Collecting samples of products for analyses
- Informing individuals of specific regulations affecting their establishment
- Assuring that required licenses and permits have been obtained and are displayed
- Assembling evidence of violations of laws

Occupation Specialties

Field Health Officers (168.167-018) check the safety of foods produced in dairies and processing plants or those served in restaurants, schools, and other institutions.

Immigration Inspectors (168.167-022) are law enforcement agents whose prime responsibility is to regulate the entry of persons into the United States according to immigration laws.

Health Care Facilities Inspectors (168.167-042) inspect facilities such as hospitals, nursing homes, sheltered care homes, maternity homes, and day care centers to enforce public health laws and to investigate complaints.

Occupational Safety and Health Inspectors (168.167-062) inspect places of employment to detect unsafe or unhealthy working conditions.

Customs Inspectors (168-267-022) examine exports and imports for admissibility and tariff; and inspect goods carried by travelers in order to intercept contraband and clear those crossing the border.

Food and Drug Inspectors (168.267-042) inspect establishments where food, drugs, cosmetics, and similar consumer items are manufactured, handled, stored, or sold to enforce legal standards of sanitation, purity, and grading.

Postal Inspectors (168.267-062) observe and recommend improvements to the postal system and investigate criminal activities in cooperation with other agencies.

Agricultural Commodity Graders (168.287-010) examine food products for quality and grade, and may also inspect processing plants and equipment for sanitation.

Working Conditions

Most inspectors work individually, although they can and do work as team members. Inspectors do a lot of fieldwork and may need to travel frequently. Many work in clean, well-lighted, and ventilated offices. Some, however, may work under unfavorable working conditions and may be exposed to various weather conditions.

Many hours beyond the normal 40-hour work week may be required. Immigration inspectors, for example, are required to be on call 24 hours a day and may be away from their official stations for extended periods of time. Many inspectors travel frequently.

All positions of employment with the federal or state government are controlled by civil service and may or may not require union or association membership.

Tools, Equipment and Materials used may include:
- Tape Recorders
- Portable Scales
- Cameras
- Ultraviolet Lights
- Forms, Charts & Diagrams
- Reference Books
- Federal, State & Local Statute Books

Worker Requirements

You should like:
- Activities of a scientific or technical nature
- Activities involving business contact with people
- Activities concerned with communication of information

OCCUPATION SPECIALTIES

DOT CODE:

168.167-018	Field Health Officer
168.267-042	Food and Drug Inspector
168.167-066	Quality Control Coordinator
168.167-022	Immigration Inspector
168.167-062	Occupational Safety and Health Inspector
168.267-022	Customs Inspector
168.267-062	Postal Inspector
168.264-010	Air-Carrier Inspector
168.167-042	Health Care Facilities Inspector
168.287-010	Agricultural Commodity Grader

SOC CODE: 1473 OES CODE: 21911

OKLAHOMA CAREER SEARCH

INSPECTOR & COMPLIANCE OFFICER

You should be able to:

- Accept responsibility
- Present a neat appearance
- Work well with others
- Make decisions using personal judgment, logic, and verifiable criteria
- Work within precise limits or standards of accuracy

Physically you must:

- Reach for, handle, and feel objects
- Speak clearly
- See and hear well, either naturally or with correction

Special Requirements:

Because of the large number of different functions of inspectors and compliance officers, the qualifications for the jobs differ greatly. The requirements may include a combination of education, experience and passing a written examination.

The federal government requires a passing score on the professional and administrative career examination (PACE) for several inspector occupations. To take this examination, a bachelor's degree or three years of responsible work experience or a combination of education and experience is required. Qualifications for inspectors at the state and local levels are usually similar to those for federal employees.

Opportunities for Experience:

Experience as an inspector can be acquired through a branch of the military service.

Earnings and Advancement

Earnings of health and regulatory inspectors vary according to the type of position and the qualifications of the applicant.

Earnings:

In 1992, the median annual salary of inspectors and compliance officers (except for construction) was $630 per week or $32,760 annually. The lowest 10 percent earned less than $18,795, and the highest 10 percent earned more than $52,364. Most starting federal salaries were about $17,510 in 1992; however, some inspectors and compliance officers — for example, aviation saftety officers and postal insepctors — started at $26,471. Experienced federal inspectors earned an average ranging from $22,885 to $53,346 in 1992 depending on the nature of the inspection or compliance activity. Salaries of inspectors and compliance officers in state and local government and in private industry are generally lower than those of their federal counterparts.

Fringe Benefits:

Depending on the employer, most inspectors receive paid vacations and holidays; life, accident, disability, and hospitalization insurance; retirement plans; and sick pay. These benefits are usually paid for, at least in part, by the employer.

Career Ladder for this Occupation:

Advancement for some government inspectors takes the form of salary raises. Advancement is generally based on merit.

Employment and Outlook

Nationally, about 156,000 health and regulatory inspectors were employed in 1990. Employment of inspectors is expected to increase faster than the average for all occupations through the year 2005. Employment growth, particularly in local government, will reflect the expansion of regulatory and compliance programs in solid and hazardous waste disposal and water pollution. In private industry, employment growth will reflect increasing self-enforcement of government and company regulations and policies.

Oklahoma Employment and Outlook

In Oklahoma, 56 job openings for inspectors and compliance officers are projected annually until the year 2000. These job openings represent new job growth as well as vacancies created by those leaving the occupation, promotions, retirements, etc. In 1990, inspectors and compliance officers held 1,489 jobs in Oklahoma. They are expected to hold 1,824 jobs by the year 2000.

Related Education and Training

Level(s) of education and training usually needed for this occupation:

- College bachelor's degree

School subjects helpful in preparing for this occupation include:

- English
- Drivers' Training
- Psychology

More Sources of Information

- Interagency Board of U.S. Civil
  Service Examiners
  1900 E Street, NW
  Washington, DC 20415

- National Association of
  Government Inspectors &
  Quality Assurance Personnel
  1946 Allendale Circle East
  Jacksonville, FL 32205

Group 3: Logistics

Part C: Material Handlers

Freight, Stock & Material Mover
Industrial Traffic Manager
Longshore Worker/Stevedore
Packer/Packager
Shipping and Receiving Clerk

FREIGHT, STOCK & MATERIAL MOVER

Nature of the Occupation

Freight and material movers perform various tasks involved in loading, unloading, and moving baggage, freight, and all types of materials. They may load, unload, and move items by hand or use equipment such as conveyors, hoists, hand and power trucks, and wheelbarrows.

Duties may include but are not limited to the following:

- Reading work orders or following supervisors' directions
- Loading and unloading trucks, railroad cars, pallets, and conveyors
- Opening containers, using steel cutters or other hand tools
- Counting and weighing materials
- Recording information on the number of items shipped or the amount of material moved

Occupation Specialties

Freight and material movers may work in a variety of job settings.

Van-Driver Helpers (905.687-014) move furniture, pianos, appliances, and other household goods to and from homes and apartments.

Truck Driver Helpers (905.687-010) assist truck drivers in transporting and handling materials, merchandise, or equipment. They load and unload trucks by hand or use handtrucks and dollies.

Lumber Yard Workers (929.687-030) perform various tasks in lumber yards such as loading and unloading trucks, stacking lumber, and loading dollies and pallets

Working Conditions

Working conditions of freight and material movers vary greatly. Their work may be performed indoors or outdoors. Depending on the type of employer and the materials lifted, freight and material movers may be exposed to dust, dirt, oil, chemicals, noise, or vibration. Some workers may have to work around furnaces or in refrigerated storage areas.

Freight and material movers generally work a 5-day, 40-hour week. Shift work may be necessary for individuals working in businesses that operate more than 8 hours per day.

Many freight and material movers belong to unions. The particular union depends on the industry or the type of employer. Some unions which represent freight and material handlers are: International Union; United Automobile, Aerospace and Agricultural Implement Workers of America; International Brotherhood of Teamsters, Chauffeurs, Warehousemen, and Helpers of America; and Brotherhood of Railway, Airline, and Steamship Clerks, Freight Handlers, Express and Station Employees. Members usually pay dues.

Tools, Equipment and Materials used may include:

- Power Wrenches
- Crowbars
- Bale Hooks
- Tongs
- Carts
- Hammers
- Rollers

OCCUPATION SPECIALTIES

DOT CODE:

929.687-030	Material Handler
905.687-014	Van-Driver Helper
905.687-010	Truck-Driver Helper
929.687-030	Lumber Yard Worker

SOC CODE: 8726 OES CODE: 98799

OKLAHOMA
CAREER
SEARCH

FREIGHT, STOCK & MATERIAL MOVER

- Skids
- Order Slips
- Dollies
- Handtrucks

Worker Requirements

You should like:
- Working with things and objects
- Routine, organized work

You should be able to:
- Follow Instructions
- Compare and see differences in size, shape, and form of objects and figures

Physically you must:
- Lift and carry weights up to 100 pounds or more
- Be able to reach for, hold, and/or feel objects
- Be able to climb and maintain body balance
- Be in good physical condition and be well coordinated

Special Requirements:

Some freight and material movers must have a driver's or chauffeur's license.

Opportunities for Experience:

Summer and part-time work may be available with manufacturing companies, wholesale and retail businesses such as stores and lumber yards, and moving companies. Jobs as helpers to truck drivers and sales route drivers are also helpful opportunities for experience.

Methods of Entry:

The most common method of entry into freight and material handling jobs is by directly applying to employers. Jobs may also be located by consulting local offices of the State Employment Security Commission, local unions, and newspaper want ads.

Earnings and Advancement

Earnings of freight and material movers vary greatly. Factors that affect earnings include the type of materials handled, the amount of equipment operation necessary, the extent of unionization, and the size and type of employer.

Earnings:

Nationally, freight and material movers earned an average weekly salary of $302 a week, for an average annual salary of $15,704 in 1992. The middle 50 percent earned from $232 to $445 weekly. The top 10 percent earned over $583 weekly, and the bottom 10 percent earned less than $200 weekly. Those employed in the construction trade earned higher weekly wages than other workers in this group.

Fringe Benefits:

Depending on the employer, freight and material movers may receive paid vacations and holidays; health and life insurance; sick leave; uniforms; and retirement plans. They may also receive other benefits such as discounts on purchases and reduced-fare air travel.

Career Ladder for this Occupation may look like this:
- Freight or Material Handling Coordinator
- Freight or Material Handling Supervisor
- Freight or Material Handler
- Helper

Initial advancement for freight and material movers usually consists of moving to jobs which require more skill and/or the operation of various types of loading and material handling equipment.

Employment and Outlook

There were approximately 881,000 freight, stock, and material handlers employed nationally in 1990. Employment of freight and material movers is expected to change little through the year 2005 due to advances in automation technology.

Related Education and Training

Level(s) of education and training usually needed for this occupation:
- Less than a high school diploma
- On-the-job training

School subjects helpful in preparing for this occupation include:
- Business Math
- Drivers' Training

More Sources of Information

- International Brotherhood of Teamsters, Chauffeurs, Warehousemen & Helpers of America
  25 Louisiana Avenue, NW
  Washington, DC 20001

- United Automobile, Aerospace and Agricultural Implement Worker (UAW)
  8000 East Jefferson Avenue
  Detroit, MI 48214

- Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employees
  3 Research Place
  Rockville, MD 20850

INDUSTRIAL TRAFFIC MANAGER

Nature of the Occupation

Industrial traffic managers arrange for the transportion of raw materials to company production areas and finished products to customers, warehouses, or storage areas.

Duties may include but are not limited to the following:

- Determining the most economical shipping rates and routes
- Selecting the route and carrier such as rail, air, road, water, pipeline, or a combination
- Handling claims for lost or damaged goods
- Conducting studies of product planning, warehousing, packaging, and loading to reduce shipping costs
- Negotiating contracts with other companies to lease transportation equipment or property
- Evaluating and changing operating standards and procedures
- Keeping records of shipments, freight rates, product classifications, and applicable government regulations

Working Conditions

Industrial traffic managers are in charge of the activities of shipping and receiving department workers. Most of their work takes place indoors in clean, well-lighted offices. They may often consult with other workers on transportation or shipping problems.

Industrial traffic managers normally work 40 hours in a 5-day week. However, they may spend additional time preparing reports and traveling to and from meetings.

Some industrial traffic managers belong to associations or professional societies such as the American Society of Transportation and Logistics. Industrial traffic managers who belong to associations may pay dues.

Tools, Equipment and Materials used may include:

- Schedules & Rate Charts
- Calculators & Computers
- Bills of Lading & other Shipping Documents
- Traffic Manuals
- Government Regulation Books

Worker Requirements

You should like:

- Having business contact with people
- Communicating ideas

You should be able to:

- Perform a variety of duties which may often change
- Evaluate information and make decisions
- Express your ideas clearly to others, both orally and in writing

Physically you must:

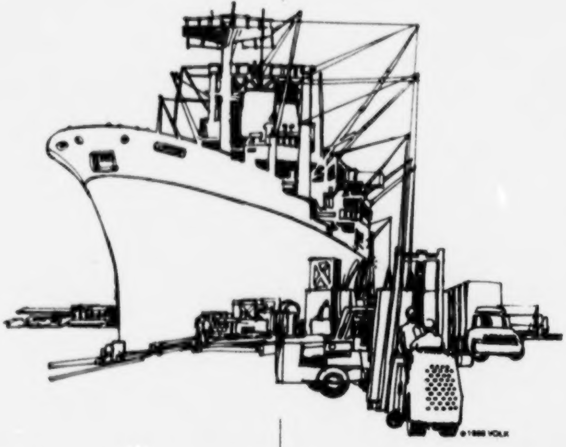
- See and hear well, either naturally or with correction
- Sit for long periods of time
- Speak clearly to communicate with others

Special Requirements:

Many companies require industrial traffic managers to have experience as a traffic specialist.

Opportunities for Experience:

Individuals may find part-time or summer employment in the shipping departments of many businesses.



OCCUPATION SPECIALTIES

DOT CODE:
184.167-094 Manager, Traffic
SOC CODE: 1342 OES CODE: 15023

OKLAHOMA
CAREER
SEARCH

INDUSTRIAL TRAFFIC MANAGER

Methods of Entry:
Apply directly to employers. Assistance in locating a job may be available from high school or college placement offices or state employment offices.

Earnings and Advancement

Earnings of industrial traffic managers depend on the individual's qualifications and experience, the type of goods handled, and the size of the employing firm.

Earnings:
Nationally, beginning average salary offers to 1992 graduates of bachelor's degree programs relating to manufacturing and industrial operations and transportation and distribution were $27,037. Experienced traffic managers earned average salaries ranging from $43,584 to $52,344.

Fringe Benefits:
Most industrial traffic managers receive paid vacations and holidays; life, accident, disability, and hospitalization insurance; and retirement plans. These benefits are usually paid for, at least in part, by the employer.

Career Ladder for this Occupation may look like this:
- Traffic Specialist
- Industrial Traffic Manager
- Trainee

Employment and Outlook

There are 4,424,000 managers and administrators employed nationally. Employment is expected to grow about as fast as the average for all occupations through 1995. New areas, such as the electronics and space fields, present undeveloped opportunities for the use of new procedures in moving goods. Growth in this occupation will also result from an increasing emphasis on reducing the cost of receiving raw materials and distributing finished products. As rate schedules and regulations governing transportation become more complex, companies will require industrial traffic managers with expertise to direct shipping and receiving activities.

Related Education and Training

Level(s) of education and training usually needed for this occupation:
- On-the-job training
- High school diploma or G.E.D.
- Technical, junior, or community college
- College bachelor's degree

School subjects helpful in preparing for this occupation include:
- College Preparatory
- General Business
- Business Math

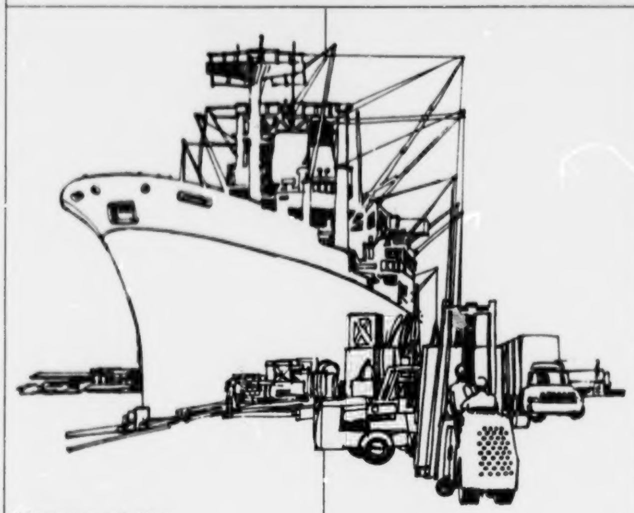
More Sources of Information

- National Association of Trade & Technical Schools
  2251 Wisconsin Avenue, NW
  Suite 200
  Washington, DC 20007

- National Industrial Transportation League
  1090 Vermont Avenue, NW
  Suite 410
  Washington, DC 20005

- High School or College Placement Offices

LONGSHORE WORKER/STEVEDORE



Nature of the Occupation

Longshore workers or stevedores load and unload ships and move cargo in and out of warehouses in wharf and dock areas. They operate material moving equipment such as cranes and lift trucks in order to move cargo from the ship and around the dock area.

Duties may include but are not limited to the following:

- Transporting cargo by handtrucks or tractor
- Attaching slings, hooks, or other lifting devices to a winch
- Operating a crane or winch to load or unload cargo according to signals from other workers
- Guiding loads being lifted to prevent swinging
- Stacking cargo in a transit shed or in the hold of a ship
- Shoring (supporting) cargo in the ship's hold to prevent shifting during the voyage
- Moving controls to start and stop the flow of grain from the spouts of grain trimmers
- Positioning and fastening hose lines to ships' cargo tanks
- Directing the activities of the cargo gang

Working Conditions

Crews of longshore workers or stevedores are supervised by gang bosses. Crews and gang bosses are responsible to loading company supervisors, who receive directions from the pier superintendent.

Longshore workers work outdoors much of the time and are exposed to varying working conditions. Stevedores may be subject to injury from lifting heavy objects or being struck by falling boxes and other freight. Boat loaders who transfer liquid cargo such as petroleum, gasoline, or sulfuric acid, may also be subject to noise, vibration, fumes, odors, or toxic conditions. Most longshore workers work a 5-day, 40-hour week. Overtime, night and holiday work may be required.

Longshore workers may join a union such as the International Longshoremen's and Warehousemen's Union. Members usually pay dues.

Tools, Equipment and Materials used may include:

- Lift Trucks
- Pinch Bars
- Hand Trucks
- Pallets
- Dollies
- Water Hoses
- Cranes
- Hand Tools, such as Wrenches & Hammers
- Boons
- Power Winches
- Grain Trimmers
- Tractors
- Trailers

Worker Requirements

You should like:

- Working outdoors
- Working with your hands and with machines and equipment

You should be able to:

- Perform routine, repetitive work
- Work according to set procedures and instructions
- Perform a variety of duties which may change often
- Evaluate information based on measurable standards

OCCUPATION SPECIALTIES
DOT CODE:
911.663-014 Stevedore
SOC CODE: 8313/8723 OES CODE: 97902, 98702

OKLAHOMA
CAREER
SEARCH

LONGSHORE WORKER/STEVEDORE

Physically you must:
- Be in good physical condition
- Lift from 50 to over 100 pounds maximum with frequent lifting and carrying of objects weighing up to 50 pounds or more
- See well, either naturally or with correction
- Reach, handle, finger, and feel
- Climb and/or maintain body balance

Opportunities for Experience:
The United States Army, Navy, or Coast Guard offer opportunities for experience.

Methods of Entry:
Longshore workers may register at local hiring halls maintained by union and employer associations or by gathering at different piers each morning where loading company supervisors come to find the workers they will need for the day.

Earnings and Advancement

Earnings of longshore workers depend upon the amount of work they have had during the year and whether they operate machinery. Less skilled longshore workers may earn less than equipment operators. Stevedores also receive a higher pay rate for night, holiday or overtime work. Stevedores who handle hazardous cargo earn extra pay.

Earnings:
Nationally, in 1992, longshore workers earned an average salary of $736 a week or $38,272 per year, with 40 hours per week guaranteed.

Fringe Benefits:
Unionized stevedores receive hospitalization benefits and are eligible for a pension at age 57.

Career Ladder for this Occupation may look like this:
- Gang Boss
- Crane Operator/Lift-Truck Operator
- Stevedore
- Helper

Stevedores can advance to jobs such as crane operator and lift-truck operator as vacancies occur. Experienced stevedores with supervisory ability may become gang bosses.

Employment and Outlook

Nationally, there were approximately 2,000 longshore equipment operators employed. Most openings through the year 2000 will be to replace those who retire or leave the occupation. Employment is expected to show little or no change. Improvements in material handling equipment and greater use of containerized cargo ships may slightly reduce the need for stevedore and longshore workers in the future. However, as long as goods are carried by ships which use American ports, there will be a need for longshore workers.

Related Education and Training

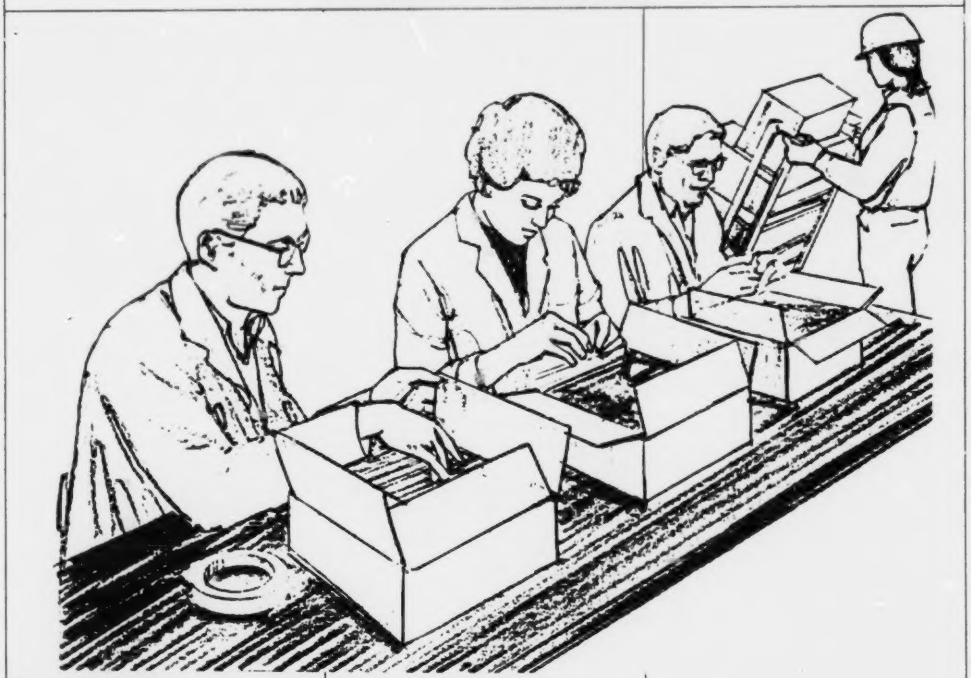
Level(s) of education and training usually needed for this occupation:
- On-the-job training
- High school diploma or G.E.D.

School subjects helpful in preparing for this occupation include:
- Drivers' Training
- Shop Math

More Sources of Information

- International Longshoremen's Association (AFL-CIO)
  17 Battery Place, Room 1530
  New York, NY 10004
- International Longshoremen's & Warehousemen's Union
  1188 Franklin Street
  San Francisco, CA 94109
- American Maritime Association
  485 Madison Avenue
  New York, NY 10022
- National Association of Stevedores
  2011 I Street, NW
  Suite 301
  Washington, DC 20006
- State Employment Security Offices
- Military Recruiters

PACKER/PACKAGER



Nature of the Occupation

Packers and packagers pour or place materials and products into containers and/or cover articles and goods with cellophane, paper and other wrapping materials. They operate and tend machines, such as filling machines, ham rolling machines, preservative filling machines, baling machines and stuffing machines to prepare industrial or consumer products.

Duties may include but are not limited to the following:

- Operating packing machines
- Inspecting product and filler containers
- Lining and padding crates
- Filling, sealing, and labeling containers
- Starting, stopping, and regulating conveyors
- Restocking supplies such as wrapping paper, boxes, and cartons
- Weighing containers

Occupation Specialties

Hand Packagers (920.587-018) package materials and products manually by cleaning packing containers, lining and padding crates, obtaining and sorting products and wrapping protective material around the product.

Wrappers (920.587-018) wrap materials and products before packaging them in order to protect them after they have been weighed and counted.

Machine Packagers (920.685-078) tend the machines that perform one or more packaging functions, such as filling, marking, labeling, banding, tying, packing or wrapping containers. They feed the product into the packaging machine and unload the packaged products.

Working Conditions

Packers and packagers usually work around other workers and are

OCCUPATION SPECIALTIES

DOT CODE:

920.587-018	Hand Packager
920.587-018	Wrapper
920.685-078	Machine Packager

SOC CODE: 8761 OES CODE: 98902

OKLAHOMA
CAREER
SEARCH

PACKER/PACKAGER

under the direction of a supervisor. They work indoors and may have to stand for long periods. Packers and packagers may work in noisy areas, and they may also be exposed to other factory hazards.

Packers and packagers usually work a 5-day, 40-hour week. Depending on the employer and the industry, they may be required to work day, evening, or night shifts. Overtime and weekend work may be necessary depending on production schedules.

Many packers and packagers belong to unions. Packers and packagers who belong to unions must pay dues.

Tools, Equipment and Materials used may include:
- Packaging Machines
- Pallets
- Case Loader Machines
- Tape
- Case Sealing Machines
- Burlap, Cellophane & Foil
- Wrapping Machines
- Metal Bands, Twine & Ribbon
- Baling Machines
- Tying Machines
- Ink & Labels
- Baskets
- Paper
- Boxes & Cartons
- Crates
- Clamps & Nails
- Padding

Worker Requirements

You should like:
- Working with your hands
- Doing routine work
- Working with machines and equipment

You should be able to:
- Work within set standards and specifications
- Perform routine and repetitive work
- Compare and see differences in size, shape, and form of objects

Physically you must:
- Have good eye and hand coordination
- Be able to lift and move objects
- Have good vision, either natural or with correction
- Be able to stand for long periods of time

Opportunities for Experience:

There are few opportunities to explore or gain experience in packing and wrapping. Summer or part-time work may be available with manufacturing, retail or wholesale firms. Experience is also available through the military services.

Methods of Entry:

The most common method of entering this occupation is by directly applying to employers of packers and packagers. Assistance may also be available through school placement offices, local offices of the state employment commission and by consulting newspaper want ads.

Earnings and Advancement

Earnings of packers and packagers depend on the type of industry and the particular firm.

Earnings:

Packers and packagers earn average weekly wages of $284, averaging $14,782 a year. They are usually paid time and a half for overtime.

Fringe Benefits:

Depending on the employer, most packers and packagers receive paid vacations and holidays; life, accident, disability, and hospitalization insurance; retirement plans; and sick pay. These benefits are usually paid for, at least in part, by the employer.

Career Ladder for this Occupation may look like this:
- Supervisor
- Machine Packer
- Packer and Packager
- Helper

Packers and packagers usually start out as helpers. Additional training and/or experience are important for packers and packagers who want to advance to positions as machine packers or supervisors.

Employment and Outlook

There were approximately 324,000 packers and packagers employed nationally in 1990. Employment of packers and packagers is expected to decline through the year 2005, as these jobs become more easily automated. Job openings should occur as a result of the occupation being very large and turnover being very high.

Related Education and Training

Level(s) of education and training usually needed for this occupation:
- On-the-job training
- High school diploma or G.E.D.

School subjects helpful in preparing for this occupation include:
- Industrial Arts
- Machine Shop
- Shop Math
- Shop Mechanics
- Woodshop

More Sources of Information

- Local Office of the State Employment Security Commission
- Local Companies Employing Packers and Packagers
- Local Military Recruiters

SHIPPING AND RECEIVING CLERK

Nature of the Occupation

Shipping and receiving clerks receive incoming merchandise or prepare merchandise for shipment, and maintain records of all shipments.

Duties may include but are not limited to the following:

- Determining method of shipment
- Assembling wooden and cardboard containers or selecting preassembled containers
- Inserting items into containers
- Attaching identifying information and shipping instruction to containers
- Preparing records of merchandise shipped
- Posting weight and shipping charges
- Maintaining files of shipping records
- Verifying receipt of shipments against bills of lading, invoices, or other records
- Recording shortages and rejecting damaged merchandise
- Routing merchandise to departments
- Unpacking and examining incoming shipments

Occupation Specialties

Receiving Clerks (222.387-050) receive, unpack and examine goods shipped and verify the completeness of shipments against bills of lading, invoices and other records.

Shipping Clerks (222.387-050) prepare products for shipment.

Route Returners (222.387-050) receive unsold products returned by sales route drivers.

Working Conditions

Shipping and receiving clerks generally work with other employees under the direction of a supervisor. They usually work in warehouses or in shipping and receiving rooms; they may spend considerable time outside on loading platforms. Workplaces are often large, unpartitioned areas that may be drafty, cold and littered with packing materials.

Most clerks must stand for long periods of time while checking merchandise. Their work requires a great deal of bending, stooping and stretching.

Clerks usually work a 5-day, 40-hour week. Clerks usually receive time and a half for work over 40 hours. Shift work may be required in some companies.

Shipping and receiving clerks may join a union. Members usually pay dues.

Tools, Equipment and Materials used may include:

- Labeling Devices
- Number Stamps and Stencils
- Typewriters
- Adding Machines
- Hammers
- Knives
- Paper & Wire Cutters
- Pry Bars

OCCUPATION SPECIALTIES

DOT CODE:

222.387-050	Shipping and Receiving Clerk
222.387-050	Receiving Clerk
222.387-050	Shipping Clerk
222.387-050	Route Returner

SOC CODE: 4753 OES CODE: 58028

OKLAHOMA
CAREER
SEARCH

SHIPPING AND RECEIVING CLERK

- Loading Conveyors
- Computer terminals
- Hand-held scanners for electronic reading of bar codes

Worker Requirements

You should like:

- Working with things and objects
- Work that is routine and organized

You should be able to:

- Work within precise limits or standards of accuracy
- Perform a variety of duties that may change often
- Work under pressure
- Understand and follow written and oral instructions
- Work well under close supervision
- Use common sense in solving problems
- Write legibly
- Do basic arithmetic

Physically you must:

- See well, either naturally or with correction
- Have good manual dexterity
- Possess good eye-hand coordination
- Lift, carry, or push objects weighing up to 50 pounds

Opportunities for Experience:

Part-time work during rush periods may be available and will provide useful experience.

Methods of Entry:

Methods of entering this occupation include applying directly to employers and taking civil service exams. Positions may also be located by consulting newspaper want ads, school placement offices or state employment offices.

Earnings and Advancement

Earnings depend on the industry, employer, union affiliation, geographic location, and employee's duties.

Earnings:

Nationally, in 1992, shipping and receiving clerks earned an average weekly salary of $334 or $17,368 per year. Generally, shipping and receiving clerks earn more or less depending upon the industry in which they work. Earnings are usually higher in the transportation, utilities and wholesale trade industries. Earnings are usually lower in the finance, insurance, real estate and services industries.

Fringe Benefits:

Depending on the employer, shipping and receiving clerks may receive paid vacations and holidays; life, health, and accident insurance; sick leave; pension plans; and profit-sharing. These benefits are usually paid for, at least in part, by the employer.

Career Ladder for this Occupation may look like this:

- Warehouse Manager
- Supervisor
- Shipping Clerk
- Shipping & Receiving Clerk
- Receiving Clerk

Shipping and receiving clerks may advance through training, ability and work experience.

Employment and Outlook

There were approximately 762,000 traffic, shipping and receiving clerks employed nationally in 1990. Employment is expected to increase more slowly than the average for all occupations due to automation through the use of computers to store and retrieve shipping and receiving records.

Numerous job openings will occur every year as clerks transfer to other jobs or leave the labor force for other reasons. Because this is an entry-level occupation, many vacancies are created by normal career progression.

Related Education and Training

Level(s) of education and training usually needed for this occupation:

- High school diploma or G.E.D.

Level(s) of education and training also available for this occupation:

- High school diploma with vocational education

School subjects helpful in preparing for this occupation include:

- Bookkeeping
- Business Math
- General Clerical
- Typing

More Sources of Information

- National Association of Wholesaler-Distributors
  1725 K Street, NW, Suite 710
  Washington, DC 20006

- Local Employment Offices

Group 4: Marketing

Group 4: Marketing

Part A: Product Management

Production Coordinator
Wholesale & Retail Buyer

PRODUCTION COORDINATOR

Nature of the Occupation

Production coordinators prepare production schedules and coordinate and expedite the flow of work within or between departments of manufacturing plants. They are responsible for reviewing the master production schedule and work orders, establishing the priorities for specific customer orders and revising the schedule according to specifications. They also confer with department supervisors and compile reports. Efficient coordination helps to lower production and storage costs and ensures that needed materials are available at the right time.

Duties may include but are not limited to the following:

- Contacting sellers to verify shipment of goods on promised shipping dates
- Revising schedules according to work order specifications, priorities, and availability of workers and equipment
- Compiling production records
- Establishing completion dates for material
- Keeping inventory
- Communicating with transportation companies to prevent delays in transit
- Distributing work orders to departments

Occupation Specialties

Production Coordinators (221.167-018) specialize in coordinating certain phases of the work flow.

Material Coordinators (221.167-014) coordinate and expedite the flow of material, parts and assemblies within or between departments in accordance with production and shipping schedules or department priorities.

Customer Service Coordinators (221.167-026) coordinate the production of printed materials, prepress or printing services with customers' requirements, and confer with customers throughout job production to keep them informed of the status of the job. They also determine the materials to be used for the job, plan and draw the layout of the job and route the materials to the proper work areas.

Production Clerks (221.382-018) compile data from customers' orders, production estimates, and perpetual (continuing) inventory to prepare production schedules, records and reports.

Working Conditions

Production coordinators and material coordinators generally work without close supervision. They work closely with department heads and supervisors and may supervise others.

Working conditions vary with the job. Most work is performed inside. Workplaces often are large, unpartitioned areas which may be drafty, cold, and littered with packing materials. Production clerks generally work 40 hours per week and receive time-and-a-half for work over 40 hours.

Production and material coordinators may belong to the American Production and Inventory

OCCUPATION SPECIALTIES

DOT CODE:

221.167-018	Production Coordinator	221.382-018	Production Clerk
221.167-014	Material Coordinator	221.167-026	Customer Services Coordinator

SOC CODE: 4752 OES CODE: 58008

OKLAHOMA CAREER SEARCH

PRODUCTION COORDINATOR

Control Society. Members must pay dues.

Tools, Equipment and Materials used may include:
- Adding Machines
- Inventory Sheets
- Calculators
- Calendars
- Shipping Ledgers
- Production Records

Worker Requirements

You should like:
- Working with things and objects
- Frequent change in your work activities
- Working with people

You should be able to:
- Analyze situations and problems
- Make decisions based on personal judgment and verifiable criteria
- Communicate effectively
- Plan, control or direct an activity or activities of others
- Attain set standards and precise limits
- Supervise others

Physically you must:
- Speak clearly and understandably
- Have good vision and hearing, either naturally or with correction
- Reach for, handle and feel objects

Opportunities for Experience:

To explore and gain experience in this field, one can obtain summer or part-time work in shipping and receiving departments and talk to people employed as production coordinators.

Methods of Entry:

The most common method of entry is directly applying to employers. Job openings may also be found by consulting placement services of the American Production and Inventory Control Society, school placement services, local offices of the State Employment Security Commission, and newspaper want ads.

Earnings and Advancement

Earnings of production coordinators vary by the employer, level of responsibility, and individual experience.

Earnings:

Nationally, in 1992, median yearly earnings for blue collar production coordinators or supervisors was about $504 weekly, or $26,208 per year. Some coordinators receive extra pay when they work overtime, however, most are paid an annual salary instead of an hourly wage.

Fringe Benefits:

Depending on the employer, most production coordinators receive such benefits as paid vacations and holidays; life, accident, disability, and hospitalization insurance; retirement plans; and sick pay. These benefits are usually paid for, at least in part, by employers.

Career Ladder for this Occupation may look like this:
- Consultant
- Plant Manager
- Superintendent
- Production Supervisor
- Material/Production Coordinator

Employment and Outlook

Nationally, there are approximately 213,600 production coordinators employed. Employment is expected to grow more slowly than the average for all occupations through the year 2005.

The growing use of computers for inventory control and new types of material handling equipment will tend to slow the growth of these occupations.

Related Education and Training

Level(s) of education and training usually needed for this occupation:
- Technical, junior or community college

Level(s) of education and training also available for this occupation:
- College bachelor's degree

School subjects helpful in preparing for this occupation include:
- General Math
- General Business
- Bookkeeping

More Sources of Information

- National Association of Wholesaler-Distributors
  1725 K Street, NW
  Suite 710
  Washington, DC 20006

- American Production and Inventory Control Society
  500 West Annandale Road
  Falls Church, VA 22046

WHOLESALE & RETAIL BUYER

Nature of the Occupation

Buyers select, order and purchase merchandise or commodities to be sold by their employer. Wholesale buyers purchase goods directly from manufacturers for resale to retail firms. Retail buyers purchase goods for resale to the public.

Duties may include but are not limited to the following:

- Supplying institutional buyers with commodities
- Consulting with store or merchandise manager concerning a budget and items to be purchased
- Analyzing sales records to determine what products are currently in demand
- Selecting and ordering merchandise
- Inspecting, grading or appraising merchandise
- Visiting manufacturers' showrooms
- Assisting in establishing markup rates and prices of new merchandise
- Determining necessary markdowns to sell slow-moving merchandise
- Traveling throughout various market areas in the United States or foreign countries to examine and select merchandise

Occupation Specialties

Assistant Buyers (162.157-022) authorize payment of invoices, approve advertising copy, inspect or sell merchandise and provide information for pricing.

Working Conditions

Buyers work with a wide variety of people including management, salespeople and customers.

Buyers usually work in clean, air-conditioned, well-lighted stores. They spend a great deal of their time traveling to branch stores, warehouses, factories, market areas and other locations to select merchandise.

Buyers frequently work more than a 40-hour week because of special sales and conferences. Their hours may be irregular and may require working evenings and weekends. Buyers often work under great pressure due to the highly competitive nature of the occupation.

Tools, Equipment and Materials used may include:

- Data Processing Systems
- Calculators
- Adding Machines
- Forms, Tickets & Tags
- Inventory Control Records
- Rate & Record Books
- Economic, Market & Other Reports

Worker Requirements

You should like:

- Activities involving business contact with people
- Activities concerned with communication of data and information
- Work that involves travel

COMMODITIES UPDATE

OCCUPATION SPECIALTIES
DOT CODE:
162.157-018 Buyer
162.157-022 Buyer, Assistant
SOC CODE: 1442 OES CODE: 21302

OKLAHOMA
CAREER
SEARCH

WHOLESALE & RETAIL BUYER

You should be able to:
- Make decisions based on personal judgment and logical reasoning
- Deal effectively with all kinds of people
- Bargain with and persuade people
- Direct, control or plan the activities of others
- Perform a variety of duties which may change often
- Solve basic math problems quickly and accurately
- Endure long hours of work and constant pressure

Physically you must:
- Reach for, handle and feel objects
- See well (either naturally or with correction)
- Stand for long periods of time

Opportunities for Experience:

Part-time or summer employment as sales or stock clerks in retail stores or warehouses can provide a useful background for this occupation.

Methods of Entry:

Methods of entering this occupation include directly applying to employers and college placement offices. Positions may also be located by consulting newspaper want ads and state employment offices.

Earnings and Advancement

Earnings depend upon the size and location of the business and the sales volume of the store.

Earnings:

Nationally, in 1992, wholesale and retail buyers employed by private firms and industry earned an average weekly salary of $497, with an annual salary of approximately $25,844. A buyer's income depends upon the amount and type of product purchased, the employer's sales volume and, to some extent, the buyer's seniority. Experienced buyers earned as much as $48,500 a year. Buyers may also receive cash bonuses or be on an incentive plan.

Fringe Benefits:

Depending on the employer, buyers may receive paid vacations and holidays; group, health and life insurance; retirement; and profit sharing plans. These benefits are usually paid for, at least in part, by the employer. Buyers may also receive employee discounts on merchandise.

Career Ladder for this Occupation may look like this:
- Store Manager
- Merchandise Manager
- Buyer
- Assistant Buyer
- Head of Stock
- Clerk/Trainee

Buyers may advance through experience and further training as well as through a successful sales record.

Employment and Outlook

In 1990, there were approximately 361,000 buyers employed nationally. Employment of buyers is expected to grow about as fast as the average for all occupations through the year 2005. The growth in population and the improvement in the economy will increase sales volume. Changes in the industry will reduce the demand for these workers. Most employment opportunities will result from the need to replace workers who leave the work force or transfer to other occupations.

Oklahoma Employment and Outlook

In Oklahoma, 68 job openings for wholesale and retail buyers are projected annually until the year 2000. These job openings represent new job growth as well as vacancies created by those leaving the occupation, promotions, retirements, etc. In 1990, wholesale and retail buyers held 2,402 jobs in Oklahoma. They are expected to hold 2,621 jobs by the year 2000.

Related Education and Training

Level(s) of education and training usually needed for this occupation:
- On-the-job training
- Technical, junior or community college

School subjects helpful in preparing for this occupation include:
- College Preparatory • Arts
- English • Clothing & Textiles
- General Math • Speech
- Business Law • Psychology
- General Business • Economics
- General Merchandising
- Bookkeeping

More Sources of Information

- National Association of Service Merchandising
  221 North La Salle Street
  Suite 863
  Chicago, IL 60601
- National Retail Merchants Association
  100 West 31st Street
  New York, NY 10001
- National Association of Trade and Technical Schools
  2251 Wisconsin Avenue, NW
  Number 200
  Washington, DC 20007
- National Mass Retailing Institute
  570 Seventh Avenue
  New York, NY 10018

Group 4: Marketing

Part B: Advertising

Advertising Agent
Writer and Editor
Industrial Designer
Sign Painter and Letterer

ADVERTISING AGENT

Gasoline
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REGUL
FOR SALE
151-1094

Nature of the Occupation

Advertising agents plan advertisement programs to generate sales and/or services for customers. They spend time meeting with clients to plan an advertising program or project, researching past advertising strategies of their clients and selling advertising space.

Duties may include but are not limited to the following:

- Studying the products or services of the client
- Reviewing advertising trends and consumer surveys
- Organizing facts in order to plan the advertising campaign
- Consulting with customers
- Budgeting and submitting estimates of costs
- Preparing sales contracts
- Reviewing and proofreading layout and copy before printing
- Preparing advertising brochures and manuals for publication

Occupation Specialties

Advertising Sales Representatives (254.357-014) sell classified and display ad space for newspapers or other publications. They visit their clients with layouts and options for advertising.

Outdoor Advertising Leasing Agents (254.357-014) obtain leases to sites for outdoor advertising and persuade property owners to lease sites in order to build billboard signs for use in outdoor advertising.

Radio and T.V. Time Sales Representatives (259.357-018) contact prospective customers to sell radio and television time for advertising on broadcasting stations or networks.

Signs and Displays Sales Representatives (254.257-010) solicit and draw up contracts for signs and displays.

Sales Promotion Representatives (269.357-018) persuade customers to use sales promotion display items of wholesale commodity distributor.

Working Conditions

Advertising agents may work alone with a client or as part of a team under the supervision of an advertising manager or other agency heads. Advertising agents frequently work under pressure in order to meet deadline dates.

Advertising agents generally work 40 hours a week although evening and weekend work may be

OCCUPATION SPECIALTIES
DOT CODE

254 357 014	Sales Representative, Advertising
259 357 018	Sales Representative, Radio & Television Time
254 257 010	Sales Representative, Signs & Displays
269 357 018	Sales Promotion Representative
254 357 014	Outdoor Advertising Leasing Agent

SOC CODE 4153 OES CODE 43023

OKLAHOMA CAREER SEARCH

ADVERTISING AGENT

necessary to meet deadlines. Travel may be required in order to meet with clients or sellers or to research a product.

Tools, Equipment and Materials used may include:
- Computer Printouts
- Rate Charts
- Surveys & Reports
- Audio-Visual Equipment
- Advertising Copy
- Contracts & Other Legal Documents
- Account Records & Budgets
- Pamphlets, Brochures & Other Materials
- Typewriters

Worker Requirements

You should like:
- Business contact with people
- Communicating information

You should be able to:
- Work independently
- Work under pressure
- Communicate clearly
- Cooperate and work well with others
- Persuade people in order to sell your ideas

Physically you must:
- Maintain good physical and mental health

Opportunities for Experience:

Employment in advertising or research organizations as an interviewer for market research or as clerks and messengers may provide experience. Co-op programs may be available through vocational centers, local high schools and community colleges.

Methods of Entry:

Methods of entering this occupation include direct application to employers and the use of college placement offices. Positions may be located by consulting newspaper want ads, professional journals, and your state employment offices.

Earnings and Advancement

Earnings depend upon the size and geographic location of the advertising agency, type of accounts handled, and gross earnings of the agency. Earnings are also based on the employee's educational background, talent and experience.

Earnings:

The average annual salary offer to a college graduate with a Bachelor's degree in advertising was $21,921 in 1992. Some advertising agents in public relations firms receive bonuses, stock or other benefits in addition to their regular earnings.

Fringe Benefits:

Depending on the employer, advertising agents may receive paid vacations and holidays; life, accident, disability and hospitalization insurance; retirement plans; and sick pay. These benefits are usually paid for, at least in part, by the employer.

Career Ladder for this Occupation may look like this:
- Own Business
- Agency Partner
- Advertising Manager
- Advertising Agent
- Management Trainee

Advertising agents may advance by demonstrating ability in dealing with and satisfying clients.

Employment and Outlook

There are approximately 124,400 advertising agents employed nationally. Employment is expected to increase faster than the average for all occupations as the growing number of consumer goods and expanding competition cause advertising expenditures to rise. Employment of advertising agents is strongly affected by general business conditions and the state of the economy. Significant growth is expected to take place in agencies rather than in company advertising departments.

Related Education and Training

Level(s) of education and training usually needed for this occupation:
- Technical Junior or Community college
- College - Bachelor's Degree

Level(s) of education and training also available for this occupation:
- College master's degree

School subjects helpful in preparing for this occupation include:
- College Preparatory • English
- Speech • Journalism • Arts
- General Math • Psychology
- General Business
- Cooperative Education - Office/Office
- General Merchandising

More Sources of Information

- American Advertising Federation
  1400 K Street, NW
  Suite 1000
  Washington, DC 20005
- Association of National Advertisers
  155 East 44th Street
  New York, NY 10017
- American Association of Advertising Agencies
  666 Third Avenue
  New York, NY 10017
- Western States Advertising Agencies Association
  2410 Beverly Blvd., No. 1
  Los Angeles, CA 90057

WRITER AND EDITOR

Nature of the Occupation

Writers develop fiction and nonfiction prose for books, magazines, newspapers, radio and television, brochures, and advertisements.

Duties may include but are not limited to the following:

- Selecting a topic or being assigned one
- Researching a topic through library study, interviews, and observation
- Selecting and organizing information and writing about the topic to achieve the desired effect
- Revising or rewriting for the best organization or the right phrasing

Occupation Specialties

Copy Writers (131.067-014) write to advertise goods and services through print or broadcast media.

Critics (131.067-018) write critical reviews of literary, musical or artistic works or performances for broadcast or publication.

Fiction and Nonfiction Prose Writers (131.067-046) write original prose material for publication.

Screen Writers (131.067-050) write scripts for motion pictures or television.

News Writers (131.267-014) write news items for newspapers, magazines, or news broadcasts.

Technical Publications Writers (131.267-026) write about scientific and technical information in clear language.

Publications Editors (132.037-022) plan the contents and budgets of publications and supervise their preparation.

Assignment Editors (132.137-010) work under an executive editor; they assign writers on particular subjects.

Working Conditions

Some writers work in private offices; others work in crowded, noisy rooms filled with other writers and typewriters. Some writers travel to various sites; others spend more time in libraries and on the telephone. Writers usually work 35-40 hours a week. Nights and weekends are required of those who write for morning or weekend publications or broadcasts.

Tools, Equipment and Materials used may include:

- Typewriters
- Electronic Calculators
- Computers
- Tape Recorders

Worker Requirements

You should like:

- Working with words
- Working with a variety of people
- Working with information that requires thought and analysis
- Expressing yourself clearly and imaginatively
- Researching new information

You should be able to:

- Work alone
- Analyze material and sort out details
- Communicate well with clients and co-workers
- Use office machines, especially typewriters
- Work efficiently under deadline pressure

Physically you must:

- Sit at a desk for long periods of time
- See well, naturally or with correction

Special Requirements:

A college degree is generally required; communications and journalism majors are especially preferred by employers. Jobs in technical writing require a degree in or knowledge of such fields as science, engineering, or business. Acquaintance with word processing, electronic publishing, and video production equipment for writing and editing is very useful. Practical experience is expected in newspapers, literary magazines, or radio stations.

Opportunities for Experience:

Summer internships may be available for students. Interns may run errands, answer phones, do research and interviews, and write short articles or advertisements.

Methods of Entry:

Directly applying to employers and taking civil service exams are realistic approaches. Some

OCCUPATION SPECIALTIES

DOT CODE:	131.067-014	Copy Writer	131.267-026	Technical Publications Writer
	131.067-018	Critic	131.067-050	Screen Writer
	131.267-014	News Writer	132.037-022	Publications Editor
	131.067-046	Fiction and Nonfiction Prose Writer	132.137-010	Assignment Editor

SOC CODE: 3210, 3313 OES CODE: 34002, 34014

OKLAHOMA CAREER SEARCH

WRITER AND EDITOR

positions are also announced in newspaper want ads, school placement offices and state employment offices.

Earnings and Advancement

Advancement for writers and editors can be accomplished by achieving within an organization or by moving to another firm. Larger firms usually assign writing and editing responsibilities only after a period of entry-level research, fact checking and proofreading. Smaller firms assign major duties right away, and competence is expected.

Earnings:

In 1992 starting salaries for beginning writers and editors was around $20,882. Experienced writers and editors earned yearly salaries averaging $30,316. Technical writers and editors who worked for the federal government were paid an average of $36,700 to $38,000.

Median annual salaries for writers were as follows: entry-level, $25,440; mid-level non-management, $36,000; mid-level management, $40,280; and senior management $47,700.

Fringe Benefits:

Depending on the employer, writers and editors may receive paid vacations and holidays; life, accident, disability and hospitalization insurance; retirement plans; and sick pay. These benefits are usually paid for, at least in part, by the employer. In addition, many writers and editors freelance to supplement their salaries.

Career Ladder for this Occupation may look like this:

NEWS MEDIA
- Partner/Owner
- Executive Editor
- Associate Editor
- Assistant Editor
- News Writer
- Editorial Assistant

ADVERTISING
- Partner/Owner
- Creative Director
- Copy Supervisor
- Senior Copy Writer
- Copy Writer
- Production Assistant

Employment and Outlook

In 1990 writers and editors held about 232,000 jobs. Their employment is expected to rise faster than the average through the year 2005. Publishers of books, magazines, and newspapers, and nonprofit organizations—including government, business, professional, civic, and religious associations—are expected to increase their staffs. Advertising, public relations, and technical writing are likely to need fresh talent, as are the broadcasting and entertainment industries.

Competition for openings will remain keen, despite high turnover. Business and trade will provide the best opportunities.

Oklahoma Employment and Outlook

In Oklahoma, 46 job openings for writers and editors are projected annually until the year 2000. These job openings represent new job growth as well as replacement opportunities created by those leaving the occupation, promotions, retirements, etc. In 1990, writers and editors held 1,538 jobs in Oklahoma. They are expected to hold 1,754 jobs by the year 2000. This is considered an average growth rate.

Related Education and Training

Level(s) of education and training usually needed for this occupation:
- College bachelor's degree

Level(s) of education and training also available for this occupation:
- College master's degree

School subjects helpful in preparing for this occupation include:
- College Preparatory
- English
- Journalism
- Typing

More Sources of Information

- Women in Communications, Inc.
  P.O. Box 9561
  Austin, TX 78766

- American Society of Magazine Editors
  575 Lexington Avenue
  New York, NY 10022

- Accrediting Council on Education in Journalism and Mass Communications
  U of KS-School of Journalism
  Stauffer-Flint Hall
  Lawrence, KS 66045

- Society for Technical Communication (STC), Inc.
  901 N. Stuart St.
  Arlington, VA 22203-1821

- The Dow Jones Newspaper Fund
  P.O. Box 300
  Princeton, NJ 08543-0300

INDUSTRIAL DESIGNER

Nature of the Occupation

Industrial designers improve the outward form and functional design of manufactured products such as cars, home appliances, computers, children's toys; and medical, office or recreational equipment. They also plan their packaging and trademarks so that products may compete favorably with similar goods on the market.

Duties may include but are not limited to the following:

- Studying the potential need for new products
- Studying other similar products on the market
- Consulting with sales and marketing personnel to obtain design ideas and to estimate public reaction to new designs
- Sketching designs
- Making comprehensive drawings of the product

Occupation Specialties

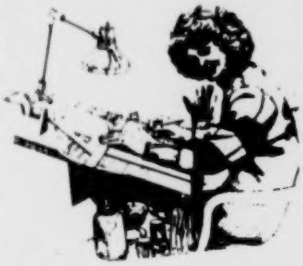
Industrial Designers (142.061-026) may specialize in one product or in a variety of products. Some industrial designers may also design stores, offices, exhibitions, packaging, and trademarks.

Working Conditions

When designing and developing products, industrial designers work with engineers, research and marketing personnel, top-level managers, and production experts.

Industrial designers spend much of their time at drawing tables in manufacturing plants or private offices. Work areas are generally clean, well-lighted, and air conditioned. Industrial designers may also spend time in the factory, overseeing the production of their design.

Most industrial designers work a 40-hour week. Those who do consulting work or who are self employed may work long hours when facing deadlines; they may also receive flat fees for assignments.



Industrial designers who are self employed tend to work longer hours.

Industrial designers may join professional organizations such as the Industrial Designers Society of America. Members pay dues.

Tools, Equipment and Materials used may include:

- Specifications
- Drawing Tables
- Drafting Instruments
- T-Squares
- Straight Edges
- Airbrushes
- Watercolors
- Plastic, Clay, Wood, and Wax
- Computers
- Charts
- Drawing Curves
- Hand Tools
- Triangles
- Templates
- Pencils, Pens, and Ink
- Pastes & Glue
- Cameras
- Calculators

Worker Requirements

You should like:

- Activities concerned with data
- Performing work which requires creativity
- Drawing and sketching

You should be able to:

- Reason logically
- Perform mathematical operations quickly and accurately
- Clearly communicate ideas visually and verbally
- Understand the meanings and relationships of words
- Make decisions based on personal judgment
- Compare and see differences in the size, shape, and form of lines, figures, and objects
- Maintain agreeable working relationships with others
- Possess a stong color sense and sense of balance
- Use self discipline to begin projects and persist throughout the task

Physically you must:

- Work easily and skillfully with your hands
- See well, either naturally or with correction, including color vision
- Communicate well and have good hearing

OCCUPATION SPECIALTIES
DOT CODE:
142.061-026 Industrial Designer
SOC CODE: 322

OKLAHOMA
CAREER
SEARCH

INDUSTRIAL DESIGNER

Special Requirements:

Completing a course of study in industrial design at an art school, at the design or art department of a university, or at a technical college is usually required.

Methods of Entry:

The most common method of entry is applying directly to employers. When applying, industrial designers are expected to provide a portfolio of their work, which includes drawings, slides, and other materials as evidence of their competence in the field.

Earnings and Advancement

Salaries of industrial designers vary according to the person's education and experience, the size and type of employer, and the geographic area. Industrial designers who have their own consulting firms may have fluctuating incomes, depending on their business for the year. Some industrial designers may work for retainers—that is, they may receive flat fees for given periods of time. During any given period, industrial designers can work for retainers for many different companies.

Earnings:

The average base salary for an entry-level industrial designer was about $27,242 in 1992. Staff designers with an average of five to six years of experience earned about $37,400, while senior designers with an average of nine years of experience earned about $47,700. Industrial designers in managerial or executive positions earned substantially more—up to $91,160.

Fringe Benefits:

Depending on the employer, most industrial designers receive paid vacations and holidays; life, accident, disability, and hospitalization insurance; retirement plans; and sick pay. These benefits are usually paid for, at least in part, by the employer.

Career Ladder for this Occupation may look like this:

- Design Manager or Private Consultant
- Design Project Leader
- Industrial Designer
- Industrial Design Assistant

Employment and Outlook

Nationally, there are approximately 62,000 industrial designers employed by consulting firms or large manufacturing companies.

Employment of industrial designers is expected to increase more quickly than the average for all occupations through the year 2005. Emphasis on high technology products in medicine, transportation, and other fields should increase demand. Workers without formal training may find it very difficult to establish and maintain a career in design.

Related Education and Training

Level(s) of education and training usually needed for this occupation:

- College bachelor's degree
- College master's degree

School subjects helpful in preparing for this occupation include:

- College Preparatory
- Algebra
- Geometry
- Trigonometry
- Drafting
- Mechanical Drawing
- Art
- Blueprint Reading
- Industrial Arts

More Sources of Information

- Industrial Designers Society of America
  1142-E Walker Road
  Great Falls, VA 22066

- University and College Designers Association
  2811 Mishawaka Avenue
  South Bend, IN 46615

SIGN PAINTER AND LETTERER

Nature of the Occupation

Sign painters design, lay out, and paint letters and graphics to make signs that illustrate advertisers' products and sales messages.

Duties may include but are not limited to the following:

- Determining customers' needs and design specifications
- Drawing outlines directly on the surface to be painted or preparing paper patterns or stencils to use for sign layout
- Determining the paints best suited for use on different materials
- Matching colors and mixing paint
- Painting the sign
- Using gold or silver leaf to form signs on doors or windows

Occupation Specialties

Lay-out Formers (970.381-018) prepare the layout of advertising materials by trimming photographs, drawings, or sketches to the proper size; indicating their position on the layout; and drawing a straight or decorative border in crayon, ink, pencil or paint. They also position hand-lettered copy on the layout.

Hand Sign Writers (970.281-022) print, paint or write signs used for displays or other purposes. They may also cut out letters and signs from wallboard or cardboard.

Letterers (970.661-014) paint or draw precise lettering to be reproduced in advertisements, books, and other printed materials, using lettering pen or brush.

Working Conditions

Sign painters may work alone or as members of a crew under the direction or supervision of a more experienced worker or project supervisor. They may work in well-lighted and ventilated sign shops or outdoors at display sites. Painters usually work outdoors year round and are subject to all weather conditions.

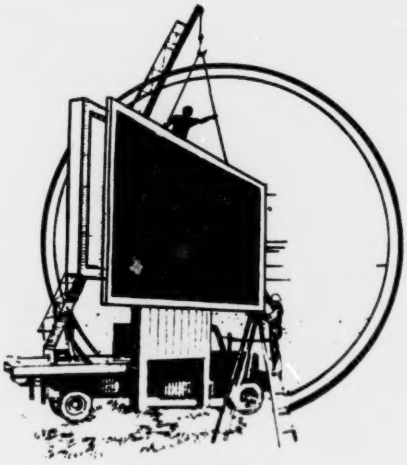
Sign painters generally work a 40-hour week during normal business hours. Overtime may be required on occasion to complete a project or meet a deadline.

Most of the supplies sign painters need are furnished by employers, although sign painters may be expected to have their own small brushes, lettering quills and layout instruments. A good kit may cost more than $225.

Sign painters may join unions or associations such as the Graphic Communications International Union. Members usually pay dues.

Tools, Equipment and Materials used may include:

- Jigsaws & Bandsaws
- Paint
- Drafter's Instruments
- Lacquer
- Chalk
- Shellac
- Shading Pencils
- Brushes
- Knives
- Asbestos
- Angles, Rulers, T-Squares
- Plastic
- Acrylic Coatings
- Silk
- Blueprints
- Perforating Tools



OCCUPATION SPECIALTIES

DOT CODE: 970.381-026 Painter, Sign
970.381-018 Lay-Out Former
970.281-022 Sign Writer, Hand
970.661-014 Letterer
SOC CODE: 6863 OES CODE: 89706, 8991

OKLAHOMA
CAREER
SEARCH

SIGN PAINTER AND LETTERER

Worker Requirements

You should like:
- Working with things and objects in an abstract and creative way
- Performing activities which involve the use of machines, processes or methods
- Performing activities which bring personal satisfaction from working on or producing things

You should be able to:
- Rate information using measurable standards
- Work within precise limits or standards of accuracy
- Have a feeling for form, color and composition
- Perceive pertinent detail in objects or in pictorial or graphic material
- Understand the relationships of plane and solid objects

Physically you must:
- Climb on ladders, scaffolds or platforms and maintain your balance
- Stoop, crouch, kneel or crawl
- Use your hands easily and skillfully and manipulate small objects with your fingers
- See well, either naturally or with correction, including color vision

Methods of Entry:

Methods of entering this occupation include applying directly to employers and completing an apprenticeship program. Positions may also be located by consulting newspaper ads, trade journals, school placement centers, local sign painter unions and state employment offices.

Earnings and Advancement

Earnings depend upon the employer, geographic location, union affiliation and individual experience.

Earnings:

Sign painters and letterers working for the federal government earned approximately $25,989 in 1992. Apprentice painters and letterers earned starting salaries which averaged only half that of experienced letterers.

Fringe Benefits:

Depending on the employer, sign painters may receive vacation and holiday pay; life; accident, disability, and hospitalization insurance; retirement plans; and sick pay. These benefits are usually paid for, at least in part, by the employer. In some cases, employers and employees may jointly contribute to union funds used to pay for certain benefits.

Career Ladder for this Occupation may look like this:
- Own Business
- Sign Painter
- Assistant

Sign painters may advance through additional experience and by training through additional education. Sign painters may become commercial artists.

Employment and Outlook

It is estimated that employment of sign painters and letterers will grow more slowly than the average for all occupations through the year 2000.

Related Education and Training

Level(s) of education and training usually needed for this occupation:
- Less than high school diploma
- On-the-job training
- High school diploma with vocational education

Level(s) of education and training also available for this occupation:
- Technical, junior or community college

School subjects helpful in preparing for this occupation include:
- Arts
- General Math
- Drafting
- Graphic Arts

More Sources of Information

- Graphic Communications International Union
  1900 L Street, NW
  Washington, DC 20036

- National Scholarship Trust Fund of the Graphic Arts
  4615 Forbes Avenue
  Pittsburgh, PA 15213

- High School or Community College Placement Offices

- State Employment Offices

Group 4: Marketing

Part C: Sales

Retail Sales Manager
Sales Engineer
Wholesale Trade Sales Worker
Services Sales Representative

RETAIL SALES MANAGER

Nature of the Occupation

Retail sales managers plan and control some or all of the sales activities of retail organizations, stores and departments.

Duties may include but are not limited to the following:

- Planning advertising campaigns and sales promotions
- Hiring, training and supervising personnel
- Recommending purchase of new stock
- Analyzing customer wants and needs
- Listening to customer complaints and resolving problems
- Preparing sales and inventory reports
- Planning department layouts, shelf arrangements and displays
- Setting sales territories, quotas and goals
- Reviewing market analyses to determine customer needs, volume potential, price levels and discount rates

Occupation Specialties

Department Managers (299.137-010) supervise and coordinate the activities of workers in one department of a retail store.

Retail Store Managers (185.167-046) are concerned with every activity bearing on the store's operation. They may have various titles depending on the type of store they manage and the kind of merchandise sold.

Working Conditions

Retail sales managers may deal directly with suppliers, store managers and department managers. Department managers generally supervise stock clerks, sales clerks and assistants.

Managers work indoors in retail stores which are usually modern, with good lighting, ventilation, heating and air conditioning. A work week may average 48 to 54 hours on a very regular schedule.

Some retail sales managers do the buying for their stores and make several buying trips a year. They may also be required to travel to training programs and sales meetings.

Some department managers belong to the Retail Store Employees Union, AFL-CIO. There are also many associations to which retail sales managers may belong, including the Sales and Marketing Executives, International. Union and association members must pay dues.

Tools, Equipment and Materials used may include:

- Contracts
- Reference Books
- Sales Charts
- Publications

OCCUPATION SPECIALTIES

DOT CODE:

299.137-010	Manager, Department
185.167-046	Manager, Retail Store

SOC CODE: 403 OES CODE: 41002

OKLAHOMA CAREER SEARCH

RETAIL SALES MANAGER

- Displays
- Order Forms
- Computers
- Invoices
- Calculators

Worker Requirements

You should like:
- Working with people
- Communicating information to others
- Work that is competitive in nature

You should be able to:
- Demonstrate self-confidence and initiative
- Direct the activities of others
- Make responsible decisions using logical reasoning and personal judgment
- Communicate effectively
- Keep organized and detailed records
- Work with and interpret percentages, discounts, and markups
- Work under pressure

Physically you must:
- Have normal vision and hearing, either naturally or with correction
- Have good physical health necessary for working long hours

Opportunities for Experience:

Part-time and summer work as a stock clerk, sales clerk or cashier can help one gain experience. Co-op programs available at high schools, vocational centers and community colleges also provide experience. Experience can also be gained through the military services.

Methods of Entry:

Apply directly to employers. Some assistance in locating employers and positions may be obtained from school or college placement offices and state employment offices. Many stores have management trainee programs and advertise in newspaper want ads.

Earnings and Advancement

Earnings of retail sales managers vary widely. Factors affecting earnings include the size and location of the organization, the merchandise it carries and the clientele it serves.

Earnings:

In 1992, retail sales managers earned an average weekly salary of $478, for an annual salary of $24,856.

Retail sales managers may receive sales-based incentives such as a percentage of the store's net profit and a bonus.

Fringe Benefits:

Fringe benefits for retail sales managers may include paid vacations and holidays, sick leave, retirement plans, and health and life insurance. These benefits are usually paid for, at least in part, by the employer.

Retail sales managers may receive merchandise discounts.

Career Ladder for this Occupation may look like this:
- Sales Director
- Store Manager
- Retail Sales Manager
- Assistant Sales Manager
- Salesperson

Advancement may depend on experience, advanced training and education, and demonstration of ability.

Employment and Outlook

There are approximately 2,354,000 retail sales managers employed. Employment of retail sales managers is expected to grow as fast as the average for all occupations through the year 2000.

Related Education and Training

Level(s) of education and training usually needed for this occupation:
- On-the-job training
- High school diploma with vocational education
- Technical, junior or community college
- College bachelor's degree

School subjects helpful in preparing for this occupation include:
- College Preparatory
- Accounting
- Bookkeeping
- Business English
- Business Math
- Cooperative Education-Office/Distribution
- Psychology
- General Merchandising
- Office Practice

More Sources of Information

- American Retail Federation
  1616 H Street, NW
  Washington, DC 20006

SALES ENGINEER

Nature of the Occupation

Sales engineers market their company's products to retail establishments, government agencies and other institutions. They sell chemical, mechanical, electromechanical, electrical or electronic equipment, supplies or services.

Duties may include but are not limited to the following:

- Creating interest in retail buyers and purchasing agents in merchandise
- Calling on customers such as engineers, architects or other professional workers to demonstrate and explain the product or service
- Assisting customers in determining equipment needs
- Preparing cost and operation estimates on equipment
- Recommending new and more efficient ways to use equipment
- Assisting in the development of custom-made machinery
- Providing technical services to clients
- Preparing sales and service contracts

Occupation Specialties

Sales engineers may specialize in selling products or services in areas closely related to their engineering specialties.

Mechanical Equipment Sales Engineers (007.151-010) specialize in the sale and installation of heating equipment.

Electrical Products Sales Engineers (003.151-010) determine the power requirements of customers who use large amounts of electricity and provide engineering services and technical advice.

Mining-and-Oil-Well Equipment and Services Sales Engineers (010.151-010) sell mining and oil well equipment to producers of oil and natural gas and provide technical services.

Working Conditions

Sales engineers usually work under the general supervision of a sales manager or other type of supervisor. They often work alone and plan their own schedules, appointments and work days. Much of their time is spent traveling and meeting with customers. They often work with top executives, research and development personnel and other workers in the customer's company.

Sales engineers usually work irregular hours due to traveling, evening meetings and completing reports. They typically work more than 40 hours per week.

Sales engineers may join a professional organization such as the National Society of Professional Engineers. Members usually pay periodic dues.

Tools, Equipment and Materials used may include:

- Blueprints & Plans
- Product Samples
- Manuals, Charts & Price Lists
- Agreement Forms

Worker Requirements

You should like:

- Working with people
- Performing activities that are scientific or technical in nature

You should be able to:

- Plan and organize your work

OCCUPATION SPECIALTIES

DOT CODE:	007.151-010	Sales Engineer, Mechanical Equipment
	003.151-010	Sales Engineer, Electrical Products
	003.151-014	Sales Engineer, Electronics Products & Systems
	010.151-010	Sales Engineer, Mining-and-Oil Well Equipment & Services

SOC CODE: 421 OES CODE: 49002

OKLAHOMA
CAREER
SEARCH

BEST COPY AVAILABLE

SALES ENGINEER

and give instructions to others

- Work with little or no supervision
- Perform a variety of duties which may change often
- Use logical step-by-step procedures to complete tasks and solve problems based upon accurate information
- Use good judgment in evaluating information
- Express ideas clearly and effectively
- Compare and recognize differences in the size, shape and forms of objects, lines and figures
- Visualize solid objects from drawings or diagrams

Physically you must:

- See and hear well, either naturally or with correction

Special Requirements:

Firms selling industrial products often require a degree in science or engineering, in addition to industry experience. As a result, most entrants to this occupation, even those with college degrees, transfer from other occupations and tend to be older than entrants to other occupations.

Opportunities for Experience:

Summer or part-time sales work and engineering work study programs in colleges and universities may provide helpful experience.

Methods of Entry:

Methods of entering this occupation include directly applying to employers. Positions may also be located by consulting professional journals, newspaper want ads and college placement offices.

Earnings and Advancement

Earnings of sales engineers depend upon the type of product, volume of sales, size of territory, and the amount of commissions and bonuses.

Earnings:

Sales engineers are actually manufacturers' representatives who sell technical products. In 1992 median earnings of full-time manufacturers' representatives were about $502 a week and $26,100 per year.

Earnings vary by experience and the type of goods or services sold, as shown below.

Consumer Goods	
Sales Trainee	$24,694
Middle level	40,154
Top Level	67,156
Industrial Goods	
Sales trainee	$30,162
Middle-level	41,990
Top-level	57,847
Services	
Sales trainee	23,856
Middle-level	37,186
Top Level	60,169

Fringe Benefits:

Depending on the employer, sales engineers may receive paid vacations and holidays; life, accident, disability, and hospitalization insurance; retirement plans; and sick pay. These benefits are usually paid for, at least in part, by the employer. Sales engineers generally are reimbursed for business expenses and are provided a car or mileage allowance.

Career Ladder for this Occupation may look like this:

- Sales Manager
- Sales Engineer
- Sales Engineer Trainee

Sales engineers may advance to administrative or consultant positions through experience.

Employment and Outlook

Nationally, about 43,500 sales engineers are employed. Employment of sales engineers is expected to increase through the year 2005. Prospects will be best for those with the appropriate knowledge or technical expertise as well as the personal traits necessary for successful selling.

Oklahoma Employment and Outlook

In Oklahoma, 9 job openings for sales engineers are projected annually until the year 2000. All of these job openings represent vacancies created by those leaving the occupation, promotions, retirements, etc. rather than new job gowth. In 1990, sales engineers held 884 jobs in Oklaoma. They are expected to hold 829 jobs by the year 2000.

Related Education and Training

Level(s) of education and training usually needed for this occupation:

- College bachelor's degree

School subjects helpful in preparing for this occupation include:

- College Preparatory
- Composition • English
- Calculus • Geometry
- General Merchandising
- Chemistry • Physics
- Humanities • Social Studies
- Blueprint Reading • Drafting

More Sources of Information

- American Association of Engineering Societies
  415 2nd Street, NE, Suite 200
  Washington, DC 20002

- National Society of Professional Engineers
  1420 King Street
  Alexandria, VA 22314

WHOLESALE TRADE SALES WORKER

Nature of the Occupation

Wholesale trade sales workers sell products for wholesalers to retailers, schools, hospitals and other businesses.

Duties may include but are not limited to the following:

- Soliciting orders by phone or in person
- Monitoring inventory levels
- Processing orders
- Promoting product lines
- Providing technical information and assistance
- Assisting in resolving customer problems
- Recording and reporting on sales

Occupation Specialties

Food Products Sales Representatives (260.357-014) sell food to grocers, restaurants, hotels or institutions.

Chemical and Drug Sales Representatives (262.357-010) sell chemicals or pharmaceuticals to businesses.

Petroleum Products Sales Representatives (269.357-014) sell fuel and lubricants to vehicle service stations.

Home Furnishings Sales Representatives (270.357-010) sell items for homes to retailers and other outlets.

Communication Equipment Sales Representatives (271.257-010) sell electronic communication equipment.

Animal Feed Sales Representatives (272.357-010) sell animal feed products to farmers and retail stores.

Motor Vehicle and Parts Sales Representatives (273.357-022) sell vehicles and parts to dealers and service stations.

Recreation and Sporting Goods Sales Representatives (277.357-026) sell to retailers and park managers.

General Merchandise Sales Representatives (279.357-014) sell various dry goods and housewares to retailers.

Working Conditions

Inside sales workers work a standard 5-day, 40-hour week. Some Saturday work is often expected to meet sales quotas, and evening work may be required to handle western time zones. Field sales workers work beyond regular business hours, traveling and writing reports and orders. They also may carry heavy sample cases and catalogs and stand for long periods. Wholesale trade field sales workers often check a store's stock for items to be ordered; advise retailers on advertising, display, pricing and ordering and inventory systems. Those who sell machinery may help with installation and maintenance.

Tools, Equipment and Materials used may include:

- Manuals
- Specifications
- Schedules
- Display Equipment
- Telephones
- Calculators
- Sales Charts
- Sample Cases
- Catalogs
- Account Books
- Order Forms
- Brochures

OCCUPATION SPECIALTIES

DOT CODE: 260.357-014 Food Products Sales Representative
262.357-010 Chemical and Drug Sales Representative
269.357-014 Petroleum Products Sales Representative
270.357-010 Home Furnishings Sales Representative
271.257-010 Communication Equipment Sales Representative
272.357-010 Animal Feed Sales Representative
273.357-022 Motor Vehicle and Parts Sales Representative
277.357-026 Recreation & Sporting Goods Sales Representative
279.357-014 General Merchandise Sales Representative

SOC CODE: 4249, 4236 OES CODE: 49005, 49008, 49011

OKLAHOMA CAREER SEARCH

WHOLESALE TRADE SALES WORKER

Worker Requirements

You should like:

- Working with figures and systems
- Working with a variety of people
- Helping people solve business problems
- Persuading people to buy things and processes

You should be able to:

- Work alone and with others
- Patiently accept refusals
- Analyze facts and form conclusions
- Communicate well and in a friendly way
- Use office machines

Physically you must:

- Sit at a desk, usually with a computer, for long periods (if inside)
- Stand for long periods and carry heavy catalogs and sample cases (if outside)
- Travel extensively

Special Requirements:

Some products require a technical background. For others, familiarity with manufacturers and brands, in addition to sales ability, are more important. Although a college degree is most desirable, many employers will hire those with previous sales experience. Many companies also have formal training programs that can last up to two years for their new employees that includes both on-the-job and classroom instruction.

Opportunities for Experience:

Some can begin as trainees, in nonselling jobs like stock, shipping or bookkeeping. Inside sales is often an early stage of sales training. Two years or more may be necessary to prepare an outside sales worker.

Some experienced sales workers transfer from manufacturing and retail sales. Experienced people require less training.

Useful college courses include wholesale distribution, marketing and business administration.

Methods of Entry:

People enter this occupation by directly applying to employers. Positions may also be found in newspaper want ads, school placement offices and state employment offices.

Earnings and Advancement

Compensation varies. One plan is salary plus commission on sales; another, straight commission; another, straight salary. Some plans add bonuses. Because sales patterns fluctuate, many companies pay sales workers an advance or "draw" against commissions.

Earnings:

Full-time wholesale trade sales workers averaged about $612 a week in 1992, for an annual salary of $31,800. Salaries vary according to experience and the types of goods sold. Salaries range anywhere from $23,856 to $67,156.

Fringe Benefits:

Depending on the employer, wholesale trade sales workers may receive paid vacations and holidays; life, accident, and hospitalization insurance; retirement plans; and sick pay. These benefits are usually paid for, at least in part, by the employer. In addition, most travel and dining expenses are reimbursed.

Career Ladder for this Occupation may look like this:

- Other Executive Positions/Own Business
- Wholesale Buyer
- Sales Manager or Supervisor/District Sales Manager
- Inside Sales/Field Sales Representative
- Trainee
- Nonselling (stock, shipping, billing)

A sales worker may advance through further education. Many companies and trade associations sponsor seminars.

Employment and Outlook

In 1990 wholesale trade sales workers numbered about 1,944,000. Employment is expected to increase about as fast as the average for all occupations through the year 2005. Most wholesale trade sales workers work from the firm's headquarters. Field sales workers may cover a section of a city or parts of one or more states. Many manufacturers are finding it more economical to rely on wholesalers rather than their own sales forces.

Related Education and Training

Level(s) of education and training usually needed for this occupation:

- Technical, junior or community college

Level(s) of education and training also available for this occupation:

- College bachelor's degree

School subjects helpful in preparing for this occupation:

- English • Bookkeeping
- Speech • General Math
- General Merchandising

More Sources of Information

Local wholesalers and associations of wholesalers in many large cities can provide information about this occupation.

SERVICES SALES REPRESENTATIVE

Nature of the Occupation

Services sales representatives sell a wide variety of services through their understanding of and ability to discuss the services their company offers. They contact and meet with clients to demonstrate how their services can meet the clients needs.

Duties may include but are not limited to the following:

- Developing client lists
- Looking for new clients in assigned territory
- Contacting prospects to determine needs
- Outlining types and prices of services
- Recommending services
- Writing, phoning or visiting prospective clients or contributors
- Follow up with clients

Occupation Specialties

Personal Services Representatives (236.252-010) visit agents, tie line customers and private wire patrons to demonstrate the use and operation of telegraph equipment and facilities.

Data Processing Services Representatives (251.157-014) work with systems engineers in government, business and industrial organizations to determine and fill their data processing needs.

Shipping Services Sales Representatives (252.357-014) sell shipping services to businesses.

Telephone Services Sales Representatives (253.257-010) sell telephone lines, instruments and systems to business accounts.

Outdoor Advertising Leasing Agents (254.357-010) obtain and sell leases for outdoor advertising spaces or billboards.

Hotel Services Sales Representatives (259.157-014) solicit convention and conference reservations from business, government, professional and social groups for hotels, motels and resorts.

Automotive Leasing Sales Representatives (273.357-014) lease automobiles, vans and trucks to businesses and other groups.

Burial Needs Salespersons (279.357-042) sell cemetery plots, grave stones and markers, mausoleums, caskets and related items to customers in their homes in response to telephone inquiries, funeral home referrals and leads from obituary notices.

Fund Raisers (293.357-014) plan programs to raise money for charities, hospitals, churches and schools and contact individuals and firms by telephone, by mail or in person to solicit funds.

Computers and EDP Systems Sales Representative (275.257-010) sell computers and electronic data processing systems to business or industrial establishments.

Working Conditions

Service sales representatives who are responsible for a large territory may travel for weeks at a time.

Appointments and telephone contacts are at the client's convenience. Telephone sales representatives spend all their time in the office. Some representatives can set their own hours as long as they meet company goals.

Tools, Equipment and Materials used may include:

- Calculators
- Typewriters
- Contracts
- Estimate Forms
- Telephones
- Automobiles
- Product Literature

Worker Requirements

You should like:

- Helping people meet their objectives
- Communicating in an organized manner
- Persuading people

You should be able to:

- Plan your activities systematically
- Take initiative in seeking leads
- Demonstrate processes
- Persist in a long process that includes rejection and delay
- Project self-confidence and create a good relationship with others
- Appear poised and well groomed
- Work as part of a team
- Work under pressure to meet sales goals

OCCUPATION SPECIALTIES

DOT CODE:	236.252-010	Personal Services Representative	259.157-014	Hotel Services Sales Representative
	251.157-014	Data Processing	273.357-014	Automotive Leasing Sales Representative
	273.357-042	Shipping Services Sales Representative	279.357-042	Burial Needs Salesperson
	253.257-010	Telephone Services Sales Representative	293.357-014	Fund Raiser II
	254.357-010	Outdoor Advertising Leasing Agent	275.257-010	Computer & EDP Systems Sales Representative

SOC CODE: 4152 OES CODE: 43017, 43023, 43099

OKLAHOMA
CAREER
SEARCH

SERVICES SALES REPRESENTATIVE

- Appear poised and well-groomed
- Work as part of a team
- Work under pressure to meet sales goals

Physically you must:

- Be able to stand and walk (except for telephone/inside sales)
- See well, naturally or with correction

Opportunities for Experience:

College courses relating to the service to be sold provide a good background, as do courses in business administration. Prior sales experience is helpful for those in nontechnical services such as linen, exterminating and burial services.

Methods of Entry:

Methods of entering this occupation include application both directly and through employment agencies. Positions may also be found in newspaper want ads, college placement offices and state employment offices.

Earnings and Advancement

Earnings:

Full-time advertising sales representatives earned a median salary of $27,040 in 1992. Sales representatives of other business services earned average annual salaries of $25,864. Those who sold technical services such as data processing or communications generally earned more than those selling nontechnical services.

Experienced sales representatives often earned more than their managers, some over $100,000 a year. Sales representatives are paid in different ways: straight salary, straight commission or a combination. Many sales people have expense accounts for meals and travel; some use company cars. Some earn bonuses, trips, and prizes for surpassing quotas. Earnings may fluctuate with the economy.

Fringe Benefits:

Depending on the employer, services sales representatives may receive paid vacations and holidays; life, accident, hospitalization and disability insurance; retirement plans; and sick pay. These benefits are paid for, at least in part, by the employer.

Career Ladder for this Occupation may look like this:

- Independent/Own Business
- Marketing Executive
- Branch Manager/District Manager
- Sales Supervisor
- Sales Representative

Sales representatives advance through personal initiative and leadership ability.

Employment and Outlook

Services sales representatives numbered about 588,000 in 1990. Four of every 10 were in firms providing business services, including computer and data processing, advertising, personnel supply, equipment rental and leasing, and mailing, reproduction and stenographic services.

Employment is expected to grow much faster than the average for all occupations through the year 2005. Employment of those who sell personal services and miscellaneous repair services is expected to increase at a somewhat slower pace.

Turnover in this field is relatively high—particularly among representatives who sell nontechnical services.

Related Education and Training

Level(s) of education and training usually needed for this occupation:

- High school diploma or G.E.D.
- Technical, junior or community college
- College bachelor's degree

Level(s) of education and training also available for this occupation:

- College master's degree

School subjects helpful in preparing for this occupation include:

- College Preparatory
- Composition
- English
- Speech
- Economics

More Sources of Information

Employers who sell services can provide more details about employment opportunities for services sales representatives.

Introduction to the Careers in International Trade
Unit 1

Student Supplement 2—Job-Information Report Form

Directions Use the following form for gathering and comparing information about the specific jobs you wish to explore in Assignment Sheet 3.

Nature of the occupation ______________________________

____

____

____

____

____

____

____

____

____

Working conditions ______________________________

____

____

____

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____

Student Supplement 2

Worker requirements ______________________________

Earnings and opportunities ______________________________

Student Supplement 2

Employment outlook

Education/training required

Introduction to the Careers in International Trade
Unit 1

Student Supplement 3—Job-Comparison Worksheet

Directions In the boxes under the column heading "Job choice," list the five jobs you reported on in Assignment Sheet 3. In the boxes under the column heading "Advantages," list beside each job choice the advantages you imagine each job would have. In the boxes under the heading "Disadvantages," list beside each job choice the disadvantages you imagine each job would have.

Job choice	Advantages	Disadvantages
1.		
2.		

Student Supplement 3

Job choice	Advantages	Disadvantages
3.		
4.		
5.		

Introduction to the Careers in International Trade
Unit 1

Student Supplement 4—Career Objectives

Directions

In the blank provided below, write your career goal. Then, using the job information you have gathered, list under the proper heading the education and training you will need, the equipment you will need, and jobs you think you will need to obtain in order to reach your career goal. These lists will become your career objectives.

Career goal ______________________________

Education and training required to meet your career goal

Student Supplement 4

Equipment needed to meet your career goal

Student Supplement 4

Jobs required to meet your goal

Introduction to the Careers in International Trade
Unit 1

Student Supplement 5—What You Can Do This Year

Directions Review the three lists you made in Student Supplement 4, and then select short-term objectives from those lists. Write these short-term objectives under the proper heading on this form.

Short-term objectives for education and training needed to meet your career goal

Short-term objectives for equipment needed to meet your career goal

Student Supplement 5

Short-term objectives for jobs required to meet your career goal

Introduction to the Careers in International Trade
Unit 1

Student Supplement 6—What You Can Do in High School

Directions Review the three lists you made in Student Supplement 4, and then select from those lists long-term objectives you can meet while you are in high school. Write these long-term objectives under the proper heading on this form.

Long-term educational and training objectives you can meet while you are in high school

Long-term equipment-need objectives you can meet while you are in high school

Student Supplement 6

Long-term job objectives you can meet while you are in high school

Introduction to the Careers
in International Trade
Unit 1

Student Supplement 7—What You Can Do After High School

Directions Review the three lists you made in Student Supplement 4, and then select from those lists long-term objectives you can meet after you graduate from high school. Write these long-term objectives under the proper heading on this form.

Long-term educational and training objectives you can meet after you graduate from high school

Long-term equipment-need objectives you can meet after you graduate from high school

Student Supplement 7

Long-term job objectives you can meet after you graduate from high school

Introduction to the Careers in International Trade
Unit 1

Student Supplement 8—Career Plan of Action

Directions Review the lists you have made in Student Supplements 5, 6, and 7 and assign dates to each objective. Using these lists and dates, complete this form by listing all your objectives according to the dates you have assigned.

Career goal ____

Year	Objective

Student Supplement 8

Year	Objective

Introduction to the Careers
in International Trade
Unit 1

Student Supplement 9—Honda Overview

Most everyone is familiar with the Honda Accord, a product which at one time was produced only in Japan and shipped in great numbers across the Pacific Ocean to ports in Washington and California for further shipment across the United States. Now, however, in addition to the Japanese production of the Accord, Honda operates its own assembly plant in Marysville, Ohio, where U.S. workers build a significant number of the Accords sold in the U.S.

At one time, Honda capitalized on the fact its Accord was made in Japan, where many U.S. car buyers felt construction know-how and quality was far superior to anything available in the U.S. Faced with growing resentment in the U.S. about the overall imbalance in trade between the U.S. and Japan, however, Honda now advertises its "American made" Accords as domestic products for domestic consumers.

Overall, the Accord is one of the most popular automobiles ever produced and a standard fixture on U.S. highways. It is not difficult to find a Honda dealership, and if you watch television, you probably cannot sit through an evening of viewing without seeing a Honda commercial. So, how does a product that was originally only an idea in the mind of an engineer thousands of miles away get to be so commonplace in the U.S.? It takes thousands of workers, both Japanese and American, working toward the same goal—producing and delivering Hondas to American consumers.

From mechanical and electrical engineers in Japan and their support staff of secretaries, financial and accounting personnel, human-resource managers, building custodians, security staff, departmental managers, material handlers, steel-mill workers, inspectors, and assembly-line staff, literally thousands of workers are involved in producing the final product. Each individual must successfully do his or her job, or the final product suffers in some way—either in construction and design quality, or maybe it just does not roll off the assembly line when it is needed to fill an order.

Once the new cars are produced, they must be transported efficiently to and loaded on a waiting oceangoing freighter—for those made in Japan. (For those made in Ohio, trucks and railroad trains move them on to their final destination.) There is paperwork to be filed on each automobile and financial arrangements to be completed for the entire shipment. Just the clerical work and banking arrangements alone require hundreds of employees. Longshore workers, crane operators, and deck hands see that the cars are secured in the ship for the long trip to Seattle or San Francisco. Upon arrival, other longshore workers unload the cars and see that they are available for loading on transport trucks and railroad cars—all operated by people who depend on international trade for their jobs.

After truck drivers and train crews deliver the new Hondas to their regional destinations, still other truckers are waiting to haul the cars to individual dealerships. At each stop, there are warehouse and various other support personnel employed to support the people and machines required to move the new automobiles.

Student Supplement 9

At the Honda dealership, there are salespeople, mechanics, secretaries, accountants, and office and shop administrators. Many dealerships will also employ credit managers for financing the sale of the new Hondas to eager new-car buyers.

How did the buyers learn of the Hondas? Remember the late-night car commercials on television? Lots of people in advertising agencies have their jobs because of Honda dollars being spent to promote Hondas to American drivers.

What about when a Honda breaks and requires new parts? There is an entire industry—similar to that of producing the cars themselves—built around parts supply to Honda dealerships and independent parts firms that handle Honda parts. All require material handlers, clerical workers, parts specialists, transportation people, financial and accounting workers, etc.

This overview highlights various occupational areas and career-interest areas cooperating to bring Hondas from the assembly line to U.S. buyers. U.S. producers have similar staffs producing automobiles for sale in other countries, too. Currently, Chrysler Corporation and Ford Motor Company are both enjoying a booming demand for their sport utility vehicles in Japan, so the entire process is reversed—with similar staffs employed by Ford and Chrysler.

Similar examples could be written about any product that moves in international trade. Designer jeans, tape and compact-disc players, food products, appliances, sporting equipment, and cameras all are good examples of products that move across national borders and in doing so, employ large numbers of people. As an export from one country, a product is an import in the destination country, and hundreds of people are involved in its making the trip.

With U.S. firms clamoring to enter the international market, it is a safe assumption that a wide variety of jobs will be available to those interested in spending their career somehow involved in buying and selling on the international market.

Introduction to the Careers
in International Trade
Unit 1

Assignment Sheet 1—Gather Personal Information

Name ______________________________ Overall rating ____________

Evaluation criteria	**Rating**
Directions have been followed	______
Content is relevant and well thought out	______

Introduction

We all have certain *interests*—things, subjects, or activities in life that we like to do, or things that make us happy. Conversely, we all have certain things, subjects, or activities that we dislike.

We all also have certain *aptitudes*—a talent or potential for being able to do something—and *skills*—activities we know how to perform because we have been trained to do them and have practiced doing them. And, we all hold certain *values*—personal judgments concerning the importance or worth of a thing or quality.

Each occupational area has certain requirements that are necessary in order for a person to be able to perform the jobs within that area successfully. By figuring out your interests, dislikes, aptitudes, skills, and values and then comparing them to requirements necessary for success in the jobs in various occupational and career-interest areas, you can learn much about possible career options you may choose to investigate.

One method you can use to discover your interests, dislikes, aptitudes, skills, and values is an informal self-inventory. Self-inventories often consist of open-ended statements or questions that ask you to examine your preferences in specific areas.

For example, to discover and examine your **interests** and **dislikes**, you might be asked questions such as: Do you prefer to spend your time with people? Or do you prefer to work on problems—maybe by writing, thinking, daydreaming, or reading? Do you spend most of your time tinkering with machines, doing carpentry, cooking, or working on a car? What activities did you enjoy as a child? What courses do you enjoy? What are your hobbies?

Assignment Sheet 1

Such questions can give you clues about your career interests. If you answer that you enjoy courses that include lots of discussions, you might like a job working with people. Or, if you answer that you like to work alone on projects, you might prefer a career that involves working with data or things.

In examining your **aptitudes**, you may be asked questions over three aptitude areas: school-subject, physical, and mental.

Questions that can help you identify your aptitudes in school subjects might include: Which subjects are most enjoyable for you? In which do you receive the best grades? Which subjects are most difficult for you? In which do you receive the poorest grades? A good analysis of your school subjects will provide you with many clues to your aptitudes.

You should also analyze your physical aptitudes, since these affect the type of job for which you should apply. Questions that help you analyze this aptitude area include: Do you have any physical handicaps that prevent you from working in certain occupations? What is your personal energy level? Are you basically healthy? energetic? alert? Do you have enough strength to do certain jobs?

A third aptitude area to examine is your mental capabilities. Can you add, subtract, multiply, and divide numbers easily? Can you work with fractions? Can you communicate effectively and easily?

Skills are often thought of as activities that have to do with manual training. Such skills as typing, sewing, carpentry, repairing an engine, and operating a cash register are easy to identify. However, other skills are also important and should be included in your skills analysis. The following questions can be useful in your skills analysis: Have you had any special training or experience in communication, such as public speaking or debate? Have you had special training in music, such as piano or singing lessons? Have you had special training or experience in working with people such as volunteer work for charitable organizations? What special training have you had in foreign languages, technology education/industrial arts, mathematics, home economics, science, fine arts, etc.? These subjects may have provided you with the skills that are needed for various careers.

You do not think about your **values** a lot. They are usually learned from your parents and you live by them automatically. But, examining your values is an important aspect of making wise decisions that will help you gain more satisfaction from your future job.

Assignment Sheet 1

Values are things people believe important or worthwhile. The following are nine things that people value and may also affect their job satisfaction.

- High pay
- Security (not having to worry about losing your job)
- Independence (being able to work alone)
- Routine (having a regular way of doing things)
- Variety (having many different things to do)
- Authority (having power over others)
- Creativity (being able to use your imagination)
- Respect (feeling important or recognized)
- Contribution to society (being able to change society for the better)

Asking you to rank these nine values has been found to be a good way of helping you examine the work values that are important to you.

Exercise **Self-inventory**

Directions Your goal in this exercise is to get enough information about yourself so that you can define your interests, aptitudes, skills, and values—Step 1 in the career decision-making process. To do so, complete the following five-part self-inventory, then discuss your answers with someone whose opinion you respect.

Section A: Interest inventory

1. Do you like to work with people?

   Yes ______ No ______

2. Do you like to work on mechanical things?

   Yes ______ No ______

3. Do you like to work with facts and figures?

   Yes ______ No ______

Assignment Sheet 1

4. Do you like to discuss important issues?

Yes ______ No ______

5. Do you like being outdoors?

Yes ______ No ______

6. Do you like to read?

Yes ______ No ______

7. Do you like to write?

Yes ______ No ______

8. What three school subjects have you liked best? Why?

Subject a. ______________________________

Reasons for liking subject ______________________________

____

____

Subject b. ______________________________

Reasons for liking subject ______________________________

____

____

Subject c. ______________________________

Reasons for liking subject ______________________________

____

____

9. What three school subjects have you liked least?

Subject a. ______________________________

Reasons for disliking subject ______________________________

____

____

Assignment Sheet 1

Subject b. ______________________

Reasons for disliking subject ______________________

____

____

Subject c. ______________________

Reasons for disliking subject ______________________

____

____

10. If you have participated in any school activities, organizations, or clubs, which two have you liked best and why?

Organization a. ______________________

Reasons for liking organization ______________________

____

____

Organization b. ______________________

Reasons for liking organization ______________________

____

____

11. If you have participated in any school activities, organizations, or clubs, which two have you liked least and why?

Organization a. ______________________

Reasons for disliking organization ______________________

____

____

Assignment Sheet 1

Organization b.

Reasons for disliking organization

12. What two activities do you most like to do in your spare time?

Activity a.

Activity b.

13. What two chores or tasks at home, on the job, or in volunteer work do you really enjoy?

Chore/task a.

Chore/task b.

14. What three things have you liked most about school?

a.

b.

c.

15. What three things have you liked least about school?

a.

b.

c.

Assignment Sheet 1

Section B: Aptitudes inventory

1. In which three school subjects do you do your best work or receive your best grades?

   Subject a. ______________________

   Subject b. ______________________

   Subject c. ______________________

2. In which three school subjects do you have the most difficulty or receive your poorest grades?

   Subject a. ______________________

   Subject b. ______________________

   Subject c. ______________________

3. Can you write clearly and correctly?

   Yes ______ No ______

4. Can you add, subtract, multiply, and divide?

   Yes ______ No ______

5. Can you work with fractions and percentages?

   Yes ______ No ______

6. Are you comfortable when talking with adults?

   Yes ______ No ______

7. Are you able to give a speech?

   Yes ______ No ______

8. Do you read well and understand what you have read?

   Yes ______ No ______

9. Do you get along well with people?

   Yes ______ No ______

Assignment Sheet 1

10. Do you have musical or artistic talent?

Yes ______ No ______

11. Are you good in athletics?

Yes ______ No ______

12. Have you been a leader or held a responsible office in any organization?

Yes ______ No ______

Section C: Skills inventory

1. What business, office, or industrial machines can you operate?

____

____

____

____

2. What special training in communication, social skills, or the fine arts have you received?

____

____

____

____

3. What special training have you received in subjects you have taken in school?

____

____

____

____

Assignment Sheet 1

Section D: Values inventory

The following are nine items many people value in their work. On the blanks beside the items, rank from 1 to 9 the things you want most from your work.

______ High pay

______ Security

______ Independence

______ Routine

______ Variety

______ Authority

______ Creativity

______ Respect

______ Contribution to society

Section E: Evaluation

1. Considering your answers to the interest inventory in Section A above, what are your three main interests?

   Interest a. ______________________________

   Interest b. ______________________________

   Interest c. ______________________________

2. Considering your answers to the aptitude and skills inventories in Sections B and C above, what three things do you do well?

   a. ______________________________

   b. ______________________________

   c. ______________________________

Assignment Sheet 1

3. Reviewing your ranking of the values inventory in Section D above, list the three things you value most from work.

   a. ______________________________

   b. ______________________________

   c. ______________________________

4. Share the information you have recorded in this exercise with your guidance counselor, vocational-education teacher, parents, or any one else you trust. On the blanks below, list any aptitudes, interests, skills, or values you discover as a result of this conversation.

   a. ______________________________

   b. ______________________________

   c. ______________________________

Introduction and self-inventory adapted from *Getting the Job* by Richard L. Lynch, Gregg Division, McGraw-Hill Book Company, copyright 1977.

Introduction to the Careers in International Trade
Unit 1

Assignment Sheet 2—Gather General Job Information and Identify Occupational and Career-Interest Areas of Choice

Name ______________________ Overall rating ____________

Evaluation criteria	**Rating**
Directions have been followed	______
Content is relevant and well organized	______

Introduction

You are enrolled in a course of study that can introduce you to an interesting, rewarding, though often demanding, career field—international trade. The industry is full of opportunities for qualified people and offers jobs that involve a wide variety of skills and various working conditions.

In this assignment sheet, you will get a sample of the different occupations in international trade and be given an opportunity to start thinking about the type of work you might want to do within international trade. Then, you will be able to start looking for an occupation that matches what you learned about your interests, aptitudes, skills, and values in Assignment Sheet 1.

Careers can be classified into two categories: occupational areas and career-interest areas. An *occupational area* is a large group or cluster of jobs similar in nature to the work being performed. A *career-interest area* is another large grouping of jobs similar in interest to the people performing them. Career-interest areas represent a kind of work activity that takes place in many different occupational areas.

Read the following sections of this introduction. These sections will give you an overview of the types of activities performed in the occupational and career-interest areas of international trade. As you read these sections, make notes on the fields of work that seem to match the interests, aptitudes, skills, and values you learned about yourself in Assignment Sheet 1.

Occupational areas in international trade

The following is a list of the occupational areas in international trade.

Assignment Sheet 2

Business/finance. Jobs in the area of business/finance are involved with providing the support activities necessary to allow a company or agency to fulfill its mission of making a profit in an efficient and legal manner.

The workers included in this occupational area include people with administrative and clerical skills who maintain day-to-day personnel and financial operations of a company, as well as those in financial planning and accounting, economic forecasting, and corporate law. The business/finance area also involves workers in office-equipment maintenance and supply and purchasing.

Communication. Jobs in the area of communication are involved with changing information into messages that can be transmitted.

The workers included in this occupational area include people who set up, operate, and maintain the electronic equipment used to record and transmit radio and television programs as well as those who maintain and operate electronic-transmitting equipment such as telephone, telegraph, and satellite systems, and those who write, edit, store, and revise printed materials such as correspondence, reports, statistical tables, forms, books, and magazine articles.

Logistics. Jobs in the area of logistics are involved with providing an orderly movement of goods/services to meet the requirements of international trade.

The workers included in this occupational area include people who operate, inspect, and maintain transportation and loading equipment for handling goods at warehouses, ports, airports, and other transportation facilities, as well as those who maintain records and documentation pertaining to the orderly flow of freight in international trade.

Marketing. Jobs in the area of marketing are involved in providing goods/services that satisfy the needs and wants of customers.

The workers included in this occupational area include people who conduct marketing research, plan and develop new goods/services, set prices, and plan, produce, and conduct necessary sales promotions.

Exercise **Determine occupational and career-interest areas of choice**

Directions Your goal in this exercise is to get enough general job information so that you can determine the occupational and career-interest areas you wish to explore in international trade—Steps 2 and 3 in the career decision-making process. To do so, review the notes you have taken on the occupational and career-interest areas discussed in the introduction to this assignment sheet. Then,

Assignment Sheet 2

compare these notes to the personal information you gathered in Assignment Sheet 1. Discuss your notes and personal inventory with someone whose opinion you respect, and then complete the following exercise.

1. From what you know about the occupational areas in international trade and from what you have learned about yourself, the occupational area in which you are most interested is? (Rank interest on a scale of from 1 to 4.)

   ______ Business/finance

   ______ Communications

   ______ Logistics

   ______ Marketing

2. From what you know about the career-interest areas in international trade and from what you have learned about yourself, the career-interest area in which you are most interested is? (Rank interest on a scale of from 1 to 12.)

   ______ Financial services

   ______ Heavy-equipment operators

   ______ Human resources

   ______ Sales

   ______ Inspectors

   ______ Legal services

   ______ Material handler

   ______ Product management

   ______ Office administration

   ______ Public relations

   ______ Advertising

   ______ Telecommunications

Assignment Sheet 2

3. My occupational area of choice is ____________________

____

4. My career-interest area of choice is ____________________

____

Introduction to the Careers
in International Trade
Unit 1

Assignment Sheet 3—Gather Specific Job Information

Name ______________________________ Overall rating ______________

Evaluation criteria	**Rating**
Directions have been followed	_____
Content is relevant and well organized	_____

Introduction

Step 4 in the career decision-making process is gathering specific job information about the jobs in the occupational and career-interest areas you have chosen to explore within international trade. Finding job information is easier than you might think. You can gather information by reading printed materials or by going through a computerized job search. Each of these sources of information is discussed below.

Printed materials

Government publications such as the *Occupational Outlook Handbook*, *Dictionary of Occupational Titles*, and the *Guide for Occupational Exploration* are excellent source materials for finding information about specific jobs.

Occupational Outlook Handbook. The *Occupational Outlook Handbook* (OOH) is published by the U.S. Department of Labor and includes general information on approximately 200 occupations. The handbook provides information about job duties, working conditions, level and places of employment, education and training requirements, advancement possibilities, job outlook, earnings, and related occupations.

You should begin your job-information search in this publication by reading the section titled "How To Get the Most From the Handbook" and then browse through the table of contents, where related occupations are grouped in clusters, or look in the alphabetical index for occupations that interest you.

Assignment Sheet 3

The numbers in parentheses that appear just below the title of most occupational statements in the OOH are called *DOT* codes. DOT stands for *Dictionary of Occupational Titles*, another Department of Labor publication. Each DOT number classifies jobs by the type of work, required training, physical demands, and working conditions. DOT numbers are included in the OOH because some career-information centers and libraries use them for filing occupational information. An index in the OOH cross-references the DOT numbers to occupations covered in the OOH.

Dictionary of Occupational Titles (DOT). The *Dictionary of Occupational Titles* defines and classifies approximately 20,000 occupations performed in the United States' economy. The DOT groups jobs into occupations based on their similarities. It also defines the job characteristics of all listed occupations. An occupational definition in the DOT normally has six basic parts. Each part represents information about a job in a systematic fashion. The parts are (1) a nine-digit occupational code number (DOT code), (2) the occupational title, (3) the industry or industries in which the occupation is found, (4) other titles by which the occupation also may be known, (5) a description of the tasks performed, and (6) related occupations.

Guide for Occupational Exploration (GOE). The *Guide for Occupational Exploration* is a U.S. Employment Service publication designed to provide you with information about fields of work that match your own interests and abilities. The GOE organizes occupational descriptions into 12 interest areas, 66 work groups, and 348 subgroups. Each description contains a general overview of the occupational area, followed by sections that answer the following questions:

- What kind of work would you do?
- What skills and abilities do you need for this kind of work?
- How do you know if you would like or could learn to do this kind of work?
- How can you prepare for and enter this kind of work?
- What else should you consider about these jobs?

The three government publications described may scare you at first because they are large. But these books are probably the most well-known and often-used sources of occupational information available, and with a little practice and help from your school librarian or counselor, they can become your most valuable career-information tools.

Assignment Sheet 3

Books and magazines. Many school- and public-library collections include sections of current career information in the form of pamphlets, newspapers, books, and magazines. Most of these small career-information publications are published by the federal government or by the state where you live. Ask your school or local librarian to help you locate this helpful information.

Computerized guidance programs

Your school library or guidance center may have a computerized guidance program. Most computerized programs are self-paced, fun to do, and contain much information about many types of jobs. If such a program is not available in your school, ask your vocational teacher to check into the vocational guidance information available in your state. For example, in Oklahoma, career information can be obtained through the computerized system provided by the Career Search division at the Oklahoma Department of Vocational and Technical Education in Stillwater, Oklahoma. See examples of the printouts provided by this service in Student Supplement 1, "Career Search Booklet." Similar programs are available in other states.

What you want to know

Before you start gathering specific job information about international trade, you should review your lists of skills, aptitudes, and other personal information you gathered in Assignment Sheet 1. Keep this information handy as you gather job information. Refer to it whenever you need to refresh your memory about your needs. Remember, you are gathering job information to find a career that fits *you*.

Next, use a standard form for gathering information about specific jobs. By using a standard form, you can easily compare and evaluate the jobs you research.

The following are the topics you will want to include on the standard form you use for job research.

- The nature of the occupation (job duties)
- Working conditions
- Any worker requirements (things you should like and things you should be able to do) on the job
- Typical earnings and opportunities for advancement

Assignment Sheet 3

- Your chances for employment in the job and the employment outlook for the job
- The educational and training required for success on the job

Exercise **Complete job report forms**

Directions Your goal in this exercise is to complete Step 4 in the career decision-making process: Gather and compare specific information on jobs in the occupational and career-interest areas you have chosen to explore in international trade. To do so, you will make five copies of Student Supplement 2, "Job-Information Report Form," research five jobs, and fill out one report form for each job researched.

Turn in your five report forms to your instructor when complete.

Introduction to the Careers
in International Trade
Unit 1

Assignment Sheet 4—Make Career Decision

Name ______________________ Overall rating ____________

Evaluation criteria	**Rating**
Directions have been followed	______
Content is relevant and well organized	______

Introduction

Making a career decision is Step 5 is the career decision-making process. It is important that you learn to make good decisions in all areas of your life. But learning to make good decisions in some areas of your life can even be critical.

Choosing a career is a very complex decision that presents you with many options and will ultimately affect many areas of your life. Because of this, you should take a great deal of time and care in reviewing and coming to a final career decision.

Remember though, decision making is a skill, and like any other skill you get better at it through practice. Many of the career areas you are exploring in international trade are also seen in other industries. So the decision-making skills you are practicing now will carry over into other fields. And, even if you should decide international trade is not for you, you will still profit from the decision-making skills you have practiced in this exercise.

Exercise **Job comparison**

Directions

Your goal in this exercise is to select a career goal—one job from the five jobs you gathered specific information about in Assignment Sheet 3. To do so, you will consider your five options by completing the steps on the next page.

Assignment Sheet 4

Write a check mark in the blank before each step below as you complete it.

______1. Look at the information you have gathered on each of the five "Job-Information Report Forms" you filled out in Assignment Sheet 3. Then, try to imagine as clearly as possible what it would be like to actually be working at each of these jobs. Think of the advantages and disadvantages of each job. Try to imagine which job seems to best meet your needs.

______2. Complete Student Supplement 3, "Job-Comparison Worksheet."

- In the boxes under the column headed "Job choice," list the five jobs you reported on in Assignment Sheet 3.
- In the boxes under the column headed "Advantages," list beside each job choice the advantages you imagine each job would have.
- In the boxes under the column headed "Disadvantages," list beside each job choice the disadvantages you imagine each job would have.
- Review your lists of advantages and disadvantages. Write a check mark beside any advantage or disadvantage that seems especially important to you.

______3. Carefully review Student Supplement 3, "Job-Comparison Worksheet," and try to decide which choice seems to have the best chance of meeting your personal needs. Then, on the blanks below, rank the five jobs you have explored.

Career goal—First choice ____________________

Second choice ____________________

Third choice ____________________

Fourth choice ____________________

Fifth choice ____________________

Introduction of the Careers
in International Trade
Unit 1

Assignment Sheet 5—Develop Plan of Action to Meet Career Goal

Name ______________________________ Overall rating ____________

Evaluation criteria	**Rating**
Directions have been followed	______
Content is relevant and well organized	______

Introduction

We all have good intentions of meeting the career goals we have set for ourselves. But we do not always develop objectives and set time frames for meeting our goals. We become procrastinators—people who put things off.

By learning to develop objectives and set time frames for meeting goals, you develop a career plan of action. You help yourself get out of the habit of putting things off. You learn to do things when they need to be done.

Career *objectives* are specific actions or steps you will take to meet your career goal. Three factors should be taken into account when you determine your career objectives:

- The level of education and training you will need to meet your career goal.
- Money you may need for education or equipment.
- Jobs leading to your career goal.

There are two time frames for taking action on the objectives you plan to achieve: short-term and long-term. A *short-term objective* is any objective you can accomplish in a year's time. An example of a short-term objective could be to complete this course. A *long-term objective* is one that takes more than a year's time to complete. An example of a long-term objective could be to graduate from high school. Another example could be to become an exporter.

Assignment Sheet 5

Exercise **Personal career plan of action**

Directions Take out the information you gathered on the career of your choice. Also, locate Student Supplements 4 through 8. Then, complete each of the following steps.

Write a check mark in the blank before each step as you complete it.

______1. In the blank at the top of Student Supplement 4, "Career Objectives," write down your career goal. Then, using the job information you gathered, list under the proper heading the education and training you will need, money you may need for your education and training or equipment, and jobs leading to your ultimate career goal. Do not worry about putting the lists in order yet. Just write down everything that will lead you toward your career goal. These lists become your career objectives.

______2. Take out Student Supplements 5, 6, and 7 and the list of objectives you completed on Student Supplement 4.

- On Student Supplement 5, "What You Can Do This Year," make a list of your short-term objectives. Select short-term objectives from Student Supplement 4 and sort and list these under the proper heading on Student Supplement 5.
- On Student Supplement 6, "What You Can Do in High School," make a list of your long-term objectives that can be completed while you are in high school. Select these objectives from Student Supplement 4 and sort and list these under the proper heading on Student Supplement 6.
- On Student Supplement 7, "What You Can Do After High School," make a list of the long-term objectives you will complete after you graduate from high school. Select these objectives from Student Supplement 4 and sort and list these under the proper heading on Student Supplement 7.

Assignment Sheet 5

_______3. Go back over Student Supplements 5, 6, and 7 and assign dates to each objective. For short-term objectives, you should be able to list exact dates. For long-term objectives, you may only be able to estimate the year.

Once you have assigned dates and estimated years to complete each objective, you may see that some of your objectives interfere with one another. If this happens, make adjustments, or if adjustments cannot be made, you will have to decide which objective is more important.

_______4. Once you have sorted and listed your objectives to meet your needs, fill out Student Supplement 8, "Career Plan of Action."

Remember, you should review and revise your career plan of action as needed in the future. Your career plan is not carved in stone. Make it flexible. But, try not to change it for foolish reasons. Think about what you are doing.

Introduction to the Careers
in International Trade
Unit 1

Assignment Sheet 6—Explore the Interrelationship of the Occupational Areas in International Trade

Portfolio Assignment

Name ______________________________ Overall rating ______________

Evaluation criteria	**Rating**
Directions have been followed	______
Content is relevant and well organized	______

Introduction

Thus far in this unit, you have studied the occupational areas (Information Sheet, Objective 2) and the career-interest areas (Objective 3) of international trade. You have also studied in a general way (in Objective 5) the interrelationship of the occupational areas in international trade. And, as a result of the notes you took in Assignment Sheet 2 and the research you did in Assignment Sheets 1 through 5, you should be much more aware of the work performed in these areas. Now, you should be able to successfully explore the worker interrelationships in a specific way.

Exercise

Part A **Describe the interrelationship of the various workers involved in producing and delivering Hondas**

Directions

Your goal in Part A of this exercise is to learn more about how the workers in the various areas of international trade work together. To do so, you will, first, review Student Supplement 1, "Career Search Booklet" and the information you have studied in Assignment Sheets 1 through 5. Second, you will read Student Supplement 9, "Honda Overview," and then, third, under each of the headings on the following pages, you will write descriptions of how you believe the various workers might have cooperated to complete their mission—producing and delivering Hondas to American consumers.

Assignment Sheet 6

1. Transporting Hondas

2. Selling Hondas

Assignment Sheet 6

3. Supplying replacement parts ______________________

____

____

____

____

____

____

____

____

____

____

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Part B **Describe the interrelationship of the various workers in a selected international business**

Directions Your goal in Part B of this exercise is to further explore how the workers in the various occupational areas of international trade work together. To do so, you will analyze an international business of your choice.

In the next-to-last paragraph of Student Supplement 9, several popular products are listed. Select a product and one international business that produces this product. Then, read and collect articles (clippings or photocopies) concerning this company. From these articles, write a short report on how you believe the various workers in this business have cooperated to complete their mission of producing and delivering this product to their customers.

Your instructor will provide you with a list of possible resources to use in completing this part of the exercise. And, he or she will also provide you with guidelines explaining the format of the finished report. This portion of the assignment will be collected and retained in a portfolio that will become a record of the progress you have made in your study of international trade.

International Trade Regions
Unit 2

Objective Sheet

Unit objective

After completing this unit, the student should be able to identify the major international trade regions; profile a local business, a state, and major international trade region; and analyze current events in the major international trade regions. The student will demonstrate these competencies by completing the assignment sheets and by scoring a minimum of 85 percent on the written test.

Specific objectives

After completing this unit, the student should be able to

1. Match to their correct definitions terms associated with international trade regions.
2. Define the term *international trade.*
3. Discuss the importance of international trade to individual consumers and their nations.
4. Discuss the factors affecting the formation of international trade regions, organizations, and agreements.
5. Identify the major international trade regions.
6. Define the major international trade organizations.
7. State the purpose of international trade agreements.
8. Distinguish among the definitions of the terms *legal*, *moral*, and *ethical.*
9. Discuss the purpose of a trade-region profile.
10. Explore the impact of geography on the major international trade regions. (Assignment Sheet 1)
11. Explore the impact of certain cultural aspects on international trade. (Assignment Sheet 2)
12. Profile a local business that participates in international trade. (Assignment Sheet 3)

Objective Sheet

13. Profile your state. (Assignment Sheet 4)
14. Profile a major international trade region. (Assignment Sheet 5)
15. Analyze current events within the major international trade regions. (Assignment Sheet 6)

International Trade Regions
Unit 2

Information Sheet

1. **Terms and definitions associated with international trade regions**

- **Climate**—Average weather conditions of a place determined by temperature and meteorological changes over the years

- **Culture**—Specific normal activities of a society based on attitudes, values, and beliefs

- **Customs**—Body of usages, practices, or conventions that regulate social life

- **Domestic**—Pertaining to items produced and consumed in a particular country

  Note: Items produced in a given nation and consumed within that nation's boundaries are considered *domestic items*. For instance, French wine consumed in France would be domestic wine in France; the same wine consumed in the U.S. would be imported wine.

- **Geography**—Study of the earth and its surface features and natural resources, and how they influence human distribution and activity

- **Latitude**—Distances measured in degrees north or south of the equator

- **Life-style**—Typical way of life of an individual or culture

- **Longitude**—Angular distances measured east or west of the prime meridian at Greenwich, England

- **Natural resources**—Raw materials supplied to a particular nation by nature

  Examples: Arable land (land suited for agricultural purposes), petroleum, forests

- **Tariff**—Tax usually levied on imports

- **Time zone**—Geographical region within which the same standard time is used

- **Topography**—Detailed description of a place including hills, valleys, rivers, lakes, canals, roads, etc.

- **Transportation system**—Network of highways, canals, air routes, railroads, etc.

- **Unit of measure**—Determinate quantity (as of length, time, heat, or value) adopted as a standard

Information Sheet

2. **Definition of *international trade***—Exchange of goods or services across international boundaries

3. **Importance of international trade to individual consumers and their nations**

- **Improved standard of living**—International trade provides a wider selection of goods/services to consumers.

- **Lower prices**—International trade provides consumers with some products that can be imported and yet sold more cheaply than they can be produced domestically.

- **Creation of jobs**—International trade creates and maintains additional domestic jobs.

  Note: The United States exports more than $200 billion in goods/services each year, and it is estimated that every $1 billion in exports creates and maintains 20,000 domestic jobs.

- **Access to scarce resources**—International trade allows nations to import raw materials or other goods/services not available domestically.

  Examples: The United States buys natural rubber from Asia because natural rubber is not produced domestically.

  At one time, Iraq purchased large quantities of wheat from the United States because Iraq had little small-grain production of its own.

- **Expanded national economy**—International trade allows a nation to sell products abroad for a profit, thus bringing new wealth into a nation's economy.

  Example: Japan, through a concerted effort of business and government, has exported its way to a position of a global economic superpower. Despite having few raw materials of its own, Japan has concentrated on becoming an efficient manufacturer of popular consumer goods and, for many years, has purchased raw materials and converted them into reasonably priced, high-quality products for export. The money brought into Japan through this effort has allowed the island nation to improve its standard of living and invest in the development of many other nations around the world.

Information Sheet

4. **Factors affecting the formation of international trade regions, organizations, and agreements**

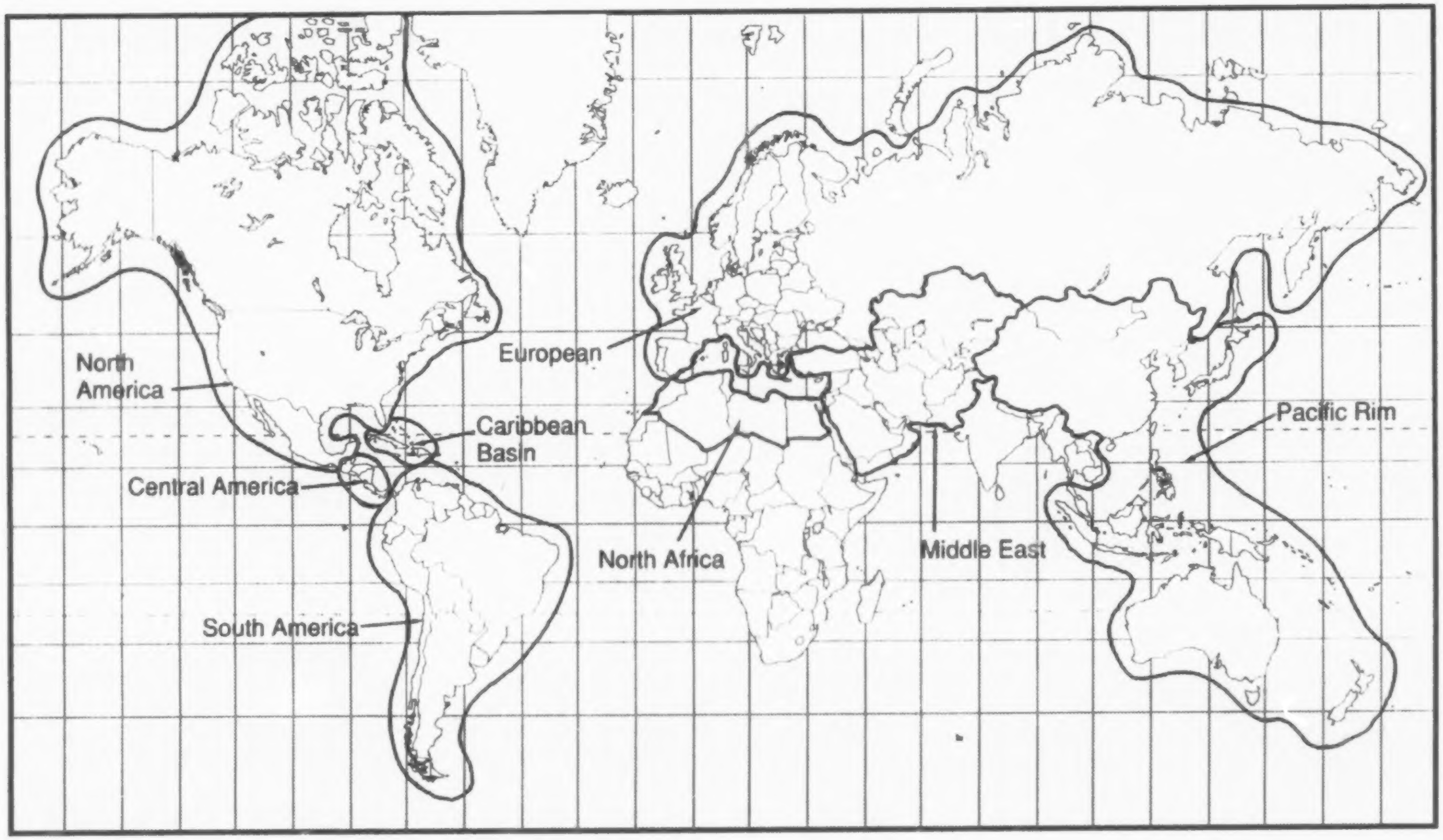
   - **Geographical factors**—Similarities in geographical factors such as global location (latitude and longitude), climate, topography, natural resources, time zones, and relative distances to trade centers and points of import/export activity have been some of the causes for countries forming groupings that developed into trade regions, organizations, and agreements.

   - **Cultural factors**—Similarities in culture such as language, history, politics, government, religion, customs, life-style, and common units of measure have been the causes for countries forming groupings that developed into trade regions, organizations, and agreements.

Information Sheet

5. **Major international trade regions** (Figure 1)

Figure 1


North America
European
Caribbean Basin
Pacific Rim
Central America
North Africa
Middle East
South America

Information Sheet

6. Major international trade organizations and their definitions

Note: Within the major international trade regions of the world, a number of nations have organized to cooperate in liberalizing trade barriers, or to remove them all together in common markets.

Although the European Community (EC) is probably the most famous common market because of its size and impact in the world, several others exist, made up of nations with common geographical situations. Common markets allow the movement of goods/services between member countries with minor or no tariffs, although most usually erect rather substantial tariffs or other trade barriers for nations outside the organization.

- **EC**—European Community; an association of 12 European nations formed to eliminate trade barriers among the member nations and bind their common economy with a unified currency and world-trade policy

  Note: The countries in the EC are Belgium, Denmark, France, Germany, Greece, the Republic of Ireland, Italy, Luxembourg, the Netherlands, Portugal, Spain, and the United Kingdom (Great Britain, Scotland, Wales, and Northern Ireland).

- **EFTA**—European Free Trade Association; an association of six European nations that have established liberalized trade agreements with the EC

  Note: The member nations of the EFTA are Austria, Iceland, Norway, Sweden, and Switzerland. Finland is an associate member.

- **CACM**—Central American Common Market; a group of five Central American nations organized to encourage trade among its members by eliminating or reducing tariffs for member nations

  Note: Nations included in the CACM are Costa Rica, El Salvador, Guatemala, Honduras, and Nicaragua.

- **CARICOM**—Caribbean Economic Community; an association of 13 English-speaking Caribbean Basin nations that seeks to eliminate trade barriers among its members

  Note: Member nations of CARICOM are Antigua and Barbuda (one nation), Bahamas, Barbados, Belize, Dominica, Grenada, Guyana, Jamaica, Montserrat, St. Christopher and Nevis (one nation), St. Lucia, St. Vincent, and Trinidad and Tobago (one nation).

- **LAIA**—Latin American Integration Association; a common market that charges low or no duties on goods/services traded between ten South American member nations and Mexico

Information Sheet

Note: The LAIA countries are Argentina, Bolivia, Brazil, Chile, Colombia, Ecuador, Mexico, Paraguay, Peru, Uruguay, and Venezuela.

- **Andean Pact**—A trade organization made up of five South American LAIA members to further enhance trade among themselves

  Note: Nations in the Andean Pact are Bolivia, Colombia, Ecuador, Peru, and Venezuela.

- **ASEAN**—Association of Southeast Asian Nations; a group of six Asian nations within the Pacific Rim cooperating to reduce tariffs among member nations

  Note: Nations included in ASEAN are Brunei, Indonesia, Malaysia, the Philippines, Singapore, and Thailand.

7. **Purpose of international trade agreements**—International trade agreements facilitate trade between governments of friendly nations.

Examples: U.S./Canada Free Trade Agreement—an agreement between the U.S. and Canada that significantly reduces import restrictions on goods/services flowing between the two nations

General Agreement on Tariffs and Trade (GATT)—an on-going multilateral treaty aimed at promoting economic growth through the reduction of trade barriers among more than 175 nations around the world

8. **Definitions of the terms *legal, moral*, and *ethical***

- **Legal**—Relating to the laws binding a certain group of people
- **Moral**—Relating to the generally accepted standards of goodness in conduct or character
- **Ethical**—Relating to the unwritten standards by which a group judges what is right and wrong

9. **Purpose of a trade-region profile**—Before a business launches an effort in international trade, many questions must be answered to determine the overall probability of success. To answer these questions, firms hire researchers to profile a region or nations in which they wish to do business. A profile represents an overall assessment of who lives in the region, how much they have to spend, what their needs may be, what products are already being sold there, and what cultural practices are involved in the nation that could affect future business dealings there.

International Trade Regions
Unit 2

Student Supplement 1—Impact of Geography on International Trade

A dictionary definition of ***geography*** might read "the study of the earth and its surface features and natural resources, and how they influence human distribution and activity." With that definition in mind, it is obvious a study of international trade cannot avoid looking at the *shape* of the land and how it affects trading patterns.

In our study, the *shape* of the land would include **climate, distances, natural resources, time zones, transportation systems,** and the **topography,** or overall physical characteristics of the land. (Is it mountainous, arable, jungle-like, desert-like, or a mixture?)

Where nations are in relation to others is a basic part of how trade has developed. In fact, one of the reasons nations trade with one another is their physical location. Neighbor nations trade with neighbor nations, especially if they have a variety of different goods needed by their respective populations. This trade takes place many times even when nations have tremendously different cultural practices such as language, religion, history, etc.

In Europe, for instance, France and Germany share a region called the Saarland, which has been a center of heavy industry for years because of its rich iron and coal deposits. Despite the fact France and Germany have very different cultures, and have warred with one another, goods from this region supply both Germany and France and are shipped all over Europe.

An area in central and southern France is the European continent's dominant agricultural area and is referred to as the *breadbasket of Europe*. Grain produced in this area feeds people and livestock throughout the European Community (EC) and surrounding nations, regardless of language and religious differences, with large amounts left over for trade throughout the rest of the world.

In the tropical climate of the Caribbean Basin nations and Central and South America, economies depend heavily on massive sugarcane production to produce sugar exports for hard cash. In nearby North America—where sugar production is more expensive or impossible because of climate—consumers are eager to purchase the inexpensive sugar for pastries, candy, and sweetened coffee.

The coffee trade, too, offers another example of geographical impacts on world trade. Coffee, like sugarcane, is a tropical plant, but it prefers higher elevations to grow properly. Its production is found in mountainous regions of Central and South America and parts of Africa and the Pacific Rim. Coffee produced in these areas naturally moves northward into the more densely populated areas of the world in neighbor-to-neighbor trade. For instance, much of Europe's coffee is produced in Africa and Asia, while U.S. coffee drinkers consume beans produced in South and Central America.

Likewise, Central America banana producers supply the bulk of bananas to the U.S. with a **latitude** that is too far north to produce the tropical fruit.

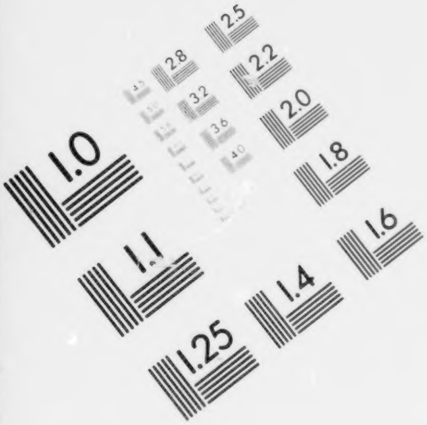
Student Supplement 1

The tropical and subtropical nations historically have exported their agricultural products and mined raw materials to the industrialized nations in the northern hemisphere, and have imported finished goods such as machinery and industrial tools in return. This pattern developed primarily because of the energy found in the natural resources of the northern temperate zones of the world—where abundant coal, iron, and petroleum deposits were found near one another in easily exploited deposits. There, manufacturing and heavy industry grew, and the surrounding populations began to trade their industrialized products for agricultural goods and raw materials from the south.

In recent years, other natural-resource deposits have played an important part in shaping international trade and world history. The industrialized nations' demand for a steady supply of petroleum has opened up trade routes into the Middle East, where much of the world's oil reserves are found. Both Europe and North America depend heavily on Middle East shipments of crude oil to keep their factories and transportation systems running, and that demand has created much wealth for some Middle East nations, while at the same time has allowed improved standards of living in the industrialized consumer nations because of an abundance of energy sources. In the case of the U.S., the importation of Middle East crude oil has helped farmers across the Great Plains of the United States as the U.S. bought oil from the Middle East and, in turn, sold grain and other agricultural goods to the desert nations, which have little or no efficient agriculture potential.

Geographic barriers such as mountains, oceans, jungles, and deserts played a great part in the development of today's trade regions. After all, it was European explorers searching for a more efficient way to trade than Marco Polo's long, difficult, dangerous, and expensive overland route from Europe to the Orient that led to the discovery of today's sea routes around the world. For years, the Alps kept northern and southern Europe somewhat divided. Long distances, deserts in the Middle East, and severely bitter winters elsewhere kept Europe and much of Asia divided until fairly recent history. The Atlantic and Pacific Oceans allowed North America to develop as an industrialized region on its own over the past 300 years. The vast distances across the Pacific Ocean kept China and Japan relatively closed societies until only the last century or so. Even today, in Brazil, where there is much fertile farmland, the expanse of jungle and wilderness prevents many acres of Brazilian soybeans from efficiently moving into world trade.

In other regions—Europe and North America in particular—efficient transportation systems have overcome some of the obstacles of mountains, deserts, and overall distances. In the United States, the interstate-highway system, inland waterways, an extensive array of air routes, and transcontinental railroads, and a highly developed communication system link producers and consumers and allow products from the interior to be available for export at coastal seaports within hours of their manufacture. Europe, too, is continuing to develop its roads, canals, and rail routes—many of which still follow routes developed by the Romans 2000 years ago. In addition, the EC is striving to eliminate trade barriers between its member countries and unify the region with a common currency to further develop its ability to move goods/services. Assets such as these are also part of geography and cannot be ignored when studying international trade. As mentioned above, Brazil is a large producer of soybeans, but much of its farmland is 1500 miles away from its export centers, and so far, there are no railroad or highway systems to serve that need.



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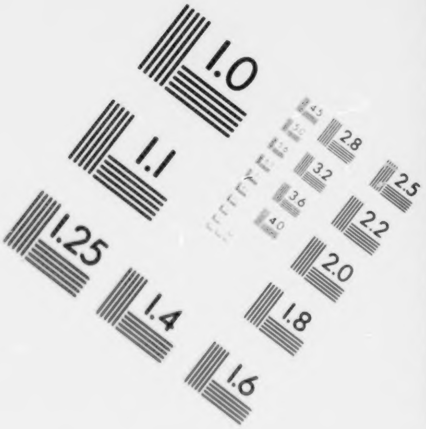

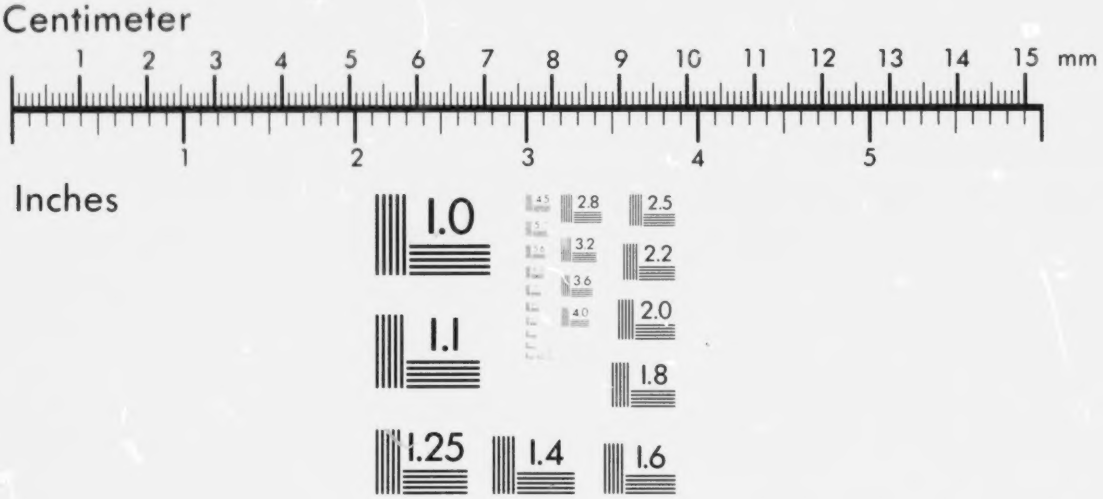
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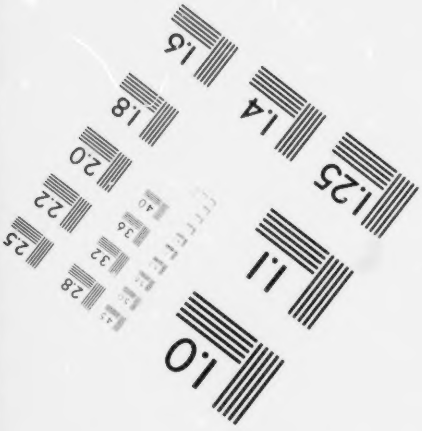

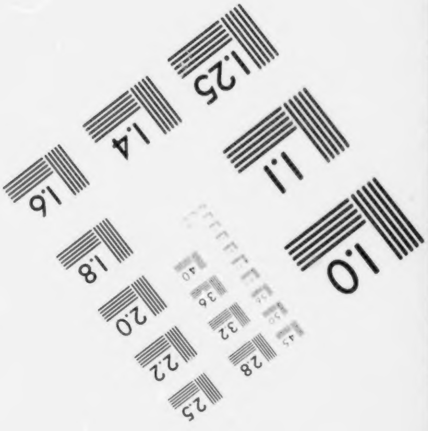

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Student Supplement 1

Even with modern steamships, global air-freight systems, railroads, and—in at least Europe and North America—super highways, distances still play a major factor in international trade, especially considering time-zone differences. Most agree that *midday* is "when the sun is at its highest point in the sky." But, because the world is round and spins continually from west to east, midday occurs at different hours around the globe. Using the sun's position as the measure for the clock, actual time varies with every mile to the east or west. This variance became a significant problem when railroad travel became popular in the 1800s. Scheduling of trains needed some structure. In 1884, the International Meridian Conference adopted a plan proposed by Canadian railroad planner Sir Sanford Fleming.

The 360 degrees of **longitude** were divided by 24 to give a 15-degree section—or time zone—for each hour of the day. The line 0° longitude ran through the Royal Observatory at Greenwich, England, so the time there became known as Greenwich Mean Time or (GMT)—the standard by which other time zones are calculated.

On the other side of the world at 180° longitude, 12 time zones away, the longitude line became the International Date Line. Those crossing this line from east to west add 24 hours and lose a day. Those going to the east subtract 24 hours and repeat a day. The International Date Line generally follows its longitude, but deviates to avoid some splitting of land masses.

Because of time differences, when folks in the United States are busy reporting to work at their offices and factories, it is early morning the next day for people in Taiwan. The difference in time zones around the world is a very important factor in efficient communication and business dealings. No one likes to be interrupted from sleep at 3:00 A.M. Just because it is 2:00 P.M. in your office, does not mean it is 2:00 P.M. worldwide. This means you must consider the local time of the destination of your telephone calls because time zones vary around the world. Even within the boundaries of the continental United States, there are four time zones to be considered.

Likewise, one can follow the international financial world's activity with the sun. As financial markets close in Zurich, Switzerland, and London, England, New York's Wall Street is still busy trading. As the markets close in New York, Chicago, and Kansas City, markets in Japan begin to stir, carrying on trading in stocks and bonds and commodities based on trends just set in North America. When European financial traders awaken, they immediately want to know what Japanese markets did during the night, and the cycle continues throughout the trading week.

So, a working knowledge of geography is necessary for successful operation in international trade. Geographical knowledge helps in determining areas of the world in which to conduct trade for specific goods/services. It is also vital to decision making concerning the effect of time zones and dates on international transportation. After all, if your goods have to cross a mountain range in your target country, it would be handy to know if you can cross those mountains by truck or rail, or if you will have to use pack animals.

International Trade Regions
Unit 2

Student Supplement 2—Impact of Culture on International Trade

Introduction

Although cultures around the world are looking more alike in the products they produce and require, many very important behavior differences remain to complicate international trade. In dealing with these complications, businesspeople must make decisions based on whether and how much to adapt home-country practices to the foreign environment.

Reading about and discussing other countries, and studying how people from other countries view their own culture—or way of life—can be very useful in improving communication and commerce in nations with very different cultures. Many books have been written on the "dos and don'ts" of foreign trade, business etiquette, and religious differences. What many of these works fail to cover, however, is how individuals view themselves within their nation's culture: What is the "accepted" method of problem solving? How much does an individual depend upon self-reliance? Beyond the more obvious cultural considerations of handshakes, business-card etiquette, and gift giving, being familiar with these less obvious considerations can mean the difference in success or failure in another's country.

A society's culture is made up of collective history, religious beliefs and practices, moral codes of conduct, communication forms, and customs. These items drastically affect how a nation's people react to others with different beliefs and self-images.

In this study, we will try to provide examples of how the many parts of a culture affect buying and selling in international trade.

History

An appreciation for history is necessary for one involved in international business efforts because it can hold a key to why potential customers act and think as they do.

For instance, European nations, whose agricultural production was devastated repeatedly during numerous wars, are not eager to allow their domestic food production to be swallowed by foreign imports. Therefore, through the European Community's (EC) bargaining power, internal agricultural subsidies that support French and German farmers at levels far above the market value of their products prevent the importation of less-expensive U.S. products. In this case, because of European history, trade barriers exist to U.S. imports. Despite the less-expensive grain and livestock available from the U.S., the European nations have collectively decided it is worth the money to maintain their own food-production capability by tax-supported subsidies. In fairness, the U.S. farmer also receives certain government subsidies just to keep domestic food supplies plentiful.

Student Supplement 2

In another example, people living in Taiwan—a major trading partner of the United States—do not want to be called *Taiwanese*, preferring instead to be called *Chinese*. Their reasoning dates back to 1949 when the communist armies led by Mao Tse Tung forced nationalist Chinese forces to flee the country to the Island of Formosa (now Taiwan), just off the coast of mainland China. There, the nationalists formed their own government, military, and industrialized economy with the idea that someday they could return to their home on the mainland. So far, the communists are still in power in the People's Republic of China (PRC) and have continued to threaten military action to bring Taiwan into the PRC's control. Still, although the original Chinese refugees to the island have been there for nearly a generation, they view themselves as Chinese and comments indicating otherwise are viewed as insulting.

History also unites nations who have bitterly disagreed in the past. The United States and England—although enemies in the Revolutionary War of the late 1700s and again in the War of 1812, and to a lesser degree during the U.S. Civil War—have been commonly allied throughout the 20th century. Much of that binding, however, is the result of a common culture and language.

One curious example of the effect of tradition emerging from the longstanding relationship between the U.S. and Britain includes the differences in **units of measure**. While the majority of nations—the United Kingdom included—now use the metric system, the U.S. has steadfastly held to the old English units of measure. Although U.S. industry is converting to metric in much of its design and manufacture, the U.S. public still measures in miles, feet, and inches instead of meters. The obvious lack of standardization in units of measure continues to cause problems with consumers of U.S. goods abroad. and with U.S. consumers who have problems converting liters to quarts and meters to miles.

Politics

Political situations influence the formation of international trade regions and the organizations and agreements surrounding them. Because political differences are generally the outgrowths of various cultural influences such as a nation's historical background, languages, religions, customs and life-styles, they directly affect the conduct of a nation in the international marketplace.

For instance, in the Middle East, the Arab nations refuse to do business with Israel, a Jewish nation. This refusal stems from thousands of years of a common history of political, military, and economic conflict. Another example could be found in the years when the U.S. would not trade with the former Soviet Union because of ideological differences that led to indirect armed conflict around the world. Or, too, the continued U.S. refusal to trade with Cuba, North Korea, or Vietnam because of historical conflicts with those nations. Within Canada there are various trade conflicts between Quebec, a large French-speaking enclave, and the remainder of the nation, which is much more associated with England and English-speaking nations. Friction between these two segments of Canada stem from hundreds of years of war and conflict between England and France thousands of miles away in Europe.

Student Supplement 2

Life-style

Numerous religious, ethnic, historical, and political institutions are factors in any decision to do business across national borders, and knowledge of them is vital to the successful importer/exporter. Knowing local culture in both importing and exporting countries plays a tremendous part in the success of international business decisions.

In India, for instance, where Hindu religious codes forbid the slaughter and consumption of beef, and Islamic teachings forbid the use of pork, McDonald's recently announced plans to open stores. The U.S. fast-food chain was scrambling to come up with a menu to appeal to its potential new customers and was leaning toward many chicken and vegetable dishes. In southeast Asia, however, some people will not eat chicken because of the belief that chickens represent their reincarnated ancestors.

Also, in the Middle East, strict Muslim moral codes forbid the use of alcohol, so a California winemaker would do well not to try to open markets there. Likewise, in Japan fat-laden Waygu beef sells for many dollars per pound as a delicacy for the wealthy. In the U.S., however, diet- and health-conscious consumers want a lean, nearly fat-free cut of beef, so Waygu probably would not sell well in the United States. Likewise, Danish hams might be a big hit in France or Italy, but because of religious considerations, the same product would lie unsold in the markets of Israel.

Another example of cultural differences would be American automobiles with their steering wheel on the left side. In Japan, as in many other nations, traffic moves on the left side of the road; therefore, automobiles produced for those nations have a right-hand drive configuration for their steering wheel. For years, United States' automakers have complained the Japanese would not purchase a great number of U.S.-built cars—none of which had right-hand drive. When the Japanese decided to market their autos in the U.S., however, they built left-hand-drive cars for the American way of driving. In this case, the Japanese considered the culture of their potential customers and engineered a product that would fit with local customs and culture in the U.S. It was not until 1992 that the U.S. began shipping right-hand-drive autos to Japan.

The role of women and men in various societies also can be drastically different. For instance, in the United States the maker of sewing machines probably will try to appeal to a woman's desire for quicker and easier sewing. In a nation where men make all family decisions, however, that same sewing-machine manufacturer might have to convince the husband the sewing machine would make his wife a more-efficient worker. Similarly, very few women rise to top-management positions in Japan and many male executives in that country find it very uncomfortable doing business with a female executive from the U.S. or Europe.

Cultural differences affect more than just what products will sell in certain countries. Applying one's cultural values to those of another nation can many times cause **legal** and **ethical** problems.

Student Supplement 2

In Middle East countries where the Islamic faith is practiced and there is no separation of church and state, advertisers can never use a woman in a "sexy" or provocative pose. In Brazil, however, nudity is common in advertising. In Kuwait, because of religious beliefs, it is illegal to advertise tobacco products, alcoholic beverages, airlines, chocolate or other candy, pharmaceuticals, or cigarette lighters.

So **legality** is variable from nation to nation depending upon what laws have been enacted through the local culture. In the examples above, you can see what is commonplace and perfectly legal in the U.S. is not always legal elsewhere. But, the U.S. has some laws that other nations do not.

For instance, the Foreign Corruption Practices Act (FCPA) makes it illegal for the U.S. citizen or firm to offer or pay a bribe to obtain favorable business decisions or transactions. Businesses can be fined up to $2 million for violation of the FCPA, and individuals caught breaking the law can face fines up to $100,000 and five years' imprisonment. In other countries, however, bribery is part of everyday business.

In this instance, a U.S. supplier who does not pay bribes because of U.S. law could very well be at a disadvantage to suppliers who do. This brings up the argument from some that the U.S. should not be imposing its **morals** on other nations. At the same time, others argue that we must not allow U.S. firms to use graft or bribery as an accepted and tax-deductible business expense. It is interesting to note that, while bribery on a large scale is illegal, U.S. exporters are allowed to make small bribes known as *grease* (as in greasing the skids to make something slide easier) to customs officials in other nations to ensure goods are cleared quickly and efficiently as they pass through the nation's ports of entry. This provision, although allowing bribery on a personal level, has been made because of the widespread practice throughout the world's customs offices.

The United States, too, has laws prohibiting U.S. firms from refusing to do business with friendly nations because they may have fallen out of favor with other nations and are *blacklisted* or being boycotted by countries other than the U.S.

For instance, because of Arab commercial boycotts of Israel, an Arab businessperson may insist a shipment of U.S. exports not be transported through Israel, carried in Israeli ships, or contain any parts or assemblies made in Israel. If the U.S. firm agrees to any of these demands, it is in violation of the U.S. Export Administration Act. To further restrict such activity, the U.S. law also makes it illegal not to report such demands—a double violation for those who engage in the boycott and remain quiet about it.

Another example of the complexity of what is legal and what is not for U.S. exporters is the business of exporting advanced technology. Because of the dependence of modern weaponry on high-tech electronics, the United States and other nations allied against the former Soviet Union during the Cold War agreed not to sell so-called *dual use* equipment to the U.S.S.R. or its allies. *Dual use* meant "equipment that had civilian and military uses—such as super computers, microchip technology, heavy trucks, police surveillance equipment, etc." The U.S. and the other nations involved in this coordinating committee on multilateral export controls (COCOM) made it illegal for suppliers to do business in these

Student Supplement 2

goods with non-COCOM nations. Still, the same goods could be shipped to a COCOM nation without question. With the changes in Eastern Europe and the collapse of the former Soviet Union, COCOM members are now refocusing their concerns to place tighter controls on fewer items, such as highly sophisticated computers and airborne electronic surveillance equipment.

A good example of political considerations affecting the free flow of certain goods would be the controversial so-called *morning after pill* developed in France in the early 1980s. The oral drug, RU486, effectively causes abortion in humans. The French have tested the drug for its effectiveness, and it is licensed in both France and England. In the United States, however, a strong anti-abortion sentiment exists in certain areas and, because of that, the French never sought clearance for the drug through the U.S. Food and Drug Administration. So, the developers of the drug made a business decision not to seek licensing for U.S. markets based on the prevailing politics of a potential customer.

Another cultural/political example has evolved around the U.S. Environmental Protection Agency's efforts at controlling agricultural pesticides in international trade. In some cases, U.S. firms are still producing pesticides no longer allowed on U.S. crops and livestock and exporting them to nations that have less-strict pesticide laws. At times, those nations have produced products with those pesticides and, in turn, shipped the finished product back to consumers in the U.S. Critics of this practice have labeled it the *circle of poison*. There are those who think such chemicals, once banned or tightly restricted in the U.S., should be banned or tightly restricted in other nations so U.S. consumers would not be subject to any exposure to chemicals not allowed in the U.S. The problem, of course, is other nations are sovereign countries with their own law-making ability and they have not seen the need to ban or tightly restrict the chemicals.

Another facet in the *circle of poison* issue involves some environmental activists in the U.S. demanding that chemical companies not export any chemical "not cleared or labeled" for use in the U.S. The well-meaning effect of this reasoning is that by stopping any export of such chemicals, any possibility of residues of those chemicals returning on food or fiber imported into the U.S. would be eliminated. The problem? A number of chemicals produced in the U.S. and sold in other nations have no use in the U.S. They are designed, formulated, and packaged for use in tropical areas on crops never produced in the U.S. Should U.S. firms be denied the right to produce a product in demand elsewhere just because it is not used on U.S. crops, and has no U.S. label?

Nearly everyone knows Mickey Mouse was a creation of the late cartoonist Walt Disney. Mickey Mouse as a concept, idea, cartoon character, and marketing tool is still the sole property of Disney's company, and any use of Mickey without permission is a violation of copyright and trademark laws. Since January 1, 1978, U.S. copyright protection generally takes effect at the time the work is created and extends for the life of the author, plus an additional 50 years. In the U.S., intellectual property (any original idea recorded on paper, videotape, film, magnetic tape, digital disks or digital tape, or other medium) is well protected. Not all other nations abide by similar laws, however, and a U.S. creator whose product is being sold in those nations runs the distinct risk of having his or her idea stolen and exploited by others. Likewise, the spread of Disney-related businesses in Europe and Japan have caused several thorny situations involving the use of Mickey Mouse's copyrighted likeness by unlicensed vendors. The U.S. does have an agreement with many nations confirming protection of intellectual property, and there are international patent, trademark, and copyright laws, but even then, modern copying and computer technology still make stealing ideas quite simple and profitable.

Dumping is another touchy subject in international trade that borders on the legal/ethical/moral question. *Dumping* is "the practice of selling products in a foreign country at below-market cost to gain market share from domestic producers of similar goods." On one hand, consumers in that nation benefit from lower prices for the *dumped* goods, but their nation's industry suffers because of a lack of sales and the associated loss of profits.

In Japan, where industry and government have been much more closely allied than in the U.S., the overall goal of this government/industry partnership has been to make money to buy what cannot be produced domestically. This is merely the application of the economic theory of comparative advantage (which will be discussed in Unit 3). Japan ran into problems recently, however, when it was accused of selling minivans in the U.S. at considerably less than the same vehicles were selling in Japan. In fact, the U.S.-delivered price was less than the overall cost of manufacturing the vehicles. U.S. automakers protested, and the Japanese government denied the charge. The argument continues. Such practices damage U.S. automakers by offering similar goods at artificially low prices, but improve the standard of living of those U.S. consumers who purchase the under-priced minivans. So, is it right or wrong, ethical or unethical, moral or immoral?

Communication

Language. Since World War II, many businesspeople in the United States have mistakenly assumed there was no reason to become bilingual, and that English is the international language of business. Despite that provincial thinking, the United States is now faced with trading partners and competitors whose languages are Oriental, Castillian, Germanic, Slavic, or Arabic. In most cases, import/export people in those nations speak English as well as their own tongue.

Even with interpreters, however, language barriers continue to cause massive problems at times, especially for individuals and companies that do not make the effort to do their homework. For instance, product names have caused several embarrassing situations for U.S. producers when they took their products to other nations. In one of the most famous instances, General Motors took its Chevrolet Nova, a highly popular auto in the U.S. since 1962, to Mexico. There, sales were dismal. Why? In Spanish, *nova* means "no go."

Similarly, Nescafe', a popular instant-coffee brand, ran into problems in Spanish-speaking nations because *Nescafe'*, in Spanish sounds like "no es cafe" or, "it is not coffee." In another instance, a product named *Cue* might not do well in French-speaking markets because *cue* is a slang expression for "one's rear end."

Student Supplement 2

Former President Jimmy Carter found himself quite embarrassed on one occasion when he was speaking to a group of Russian-speaking people. He had used the common English expression *out of sight, out of mind*, meaning "something that was not obvious was soon forgotten." The translator, however, translated *out of sight, out of mind* into Russian as "blind, therefore crazy."

Presently, more than 95 percent of the world's population lives outside the United States. It is estimated that by the 21st century, more than 60 percent of Americans will work at occupations involving the exchange of information. Considering that most transactions are done in the language of the buyer, U.S. firms interested in selling abroad must address the language issue. Today, the major trading languages of the world are Chinese, English, French, German, Italian, Japanese, Spanish, and Russian.

Body language. The ability to communicate well with someone from another country involves understanding the nonverbal forms of communication that are used. Many of the gestures used in the United States are unknown or have a different meaning in other countries. If you plan to discuss business personally, you should complete a study of the nonverbal communication of the country in which you wish to trade. Examples of differences in nonverbal communication are shown in Table 1.

Table 1: Differences in nonverbal communication

Waving	Waving "hello" in Europe is different than in the U.S. Our common wave, with the whole hand moving in back-and-forth motion, means "no," except in Greece, where it is an insult. In Europe, the correct way to wave "goodbye" is with the palm out, hand and arm stationary, and the fingers moving up and down.
Touching	Touching is a tricky subject in most places of the world. In Latin American and Slavic countries, hugging is very common even between men. In France, a man-to-man peck on the cheek even may be added. The Japanese, on the other hand, avoid touching. Most Japanese will shake hands, but prefer their traditional bowing. The proper way to bow to a Japanese person is with the hands sliding down toward your knees or at your sides. The back and neck should be stiff and the eyes looking down. If you wish to pay honor to a Japanese person, one small bow should be sufficient. Always allow other businesspersons below you in rank to bow lower and longer than you. Likewise, match bows, even adding one with someone older or higher on the business scale than yourself.
Facial gestures	In the United States, we seldom realize the importance of gestures using the face, but in some other countries there are very explicit meanings to such gestures. In Europe and some Latin American countries, pulling downward on the outside of the eye means "Be alert!" Blinking the eyes in Taiwan is considered impolite. Grasping your ear lobe and holding it between your thumb and forefinger signifies appreciation in Brazil.

Student Supplement 2

Table 1 (cont.)

Hand-shaking	The handshake has become a universal greeting, but it has many variations. In Europe, it is a very loose, relaxed grip. To the Japanese, the bow is the traditional form of greeting. In order to show respect for Western businesspeople, however, the Japanese will usually bow, then step forward and offer their hand to you for one single shake. The Chinese shake hands very firmly with one single shake. They may also nod along with the handshake, a form of the bow. In other countries, the handshake is common and so is an embrace. People there may even kiss you on both cheeks on first meeting. In Greece and Italy, it is common for two men to embrace or even hold hands while walking. Businesspeople of India usually shake hands with foreign businesspeople. Indian men, however, will not shake hands with women. In Russia, handshaking is common, as is hugging and kissing when greeting friends and business associates.
Pat on the back	In the United States, to pat someone on the back is taken as a sign of approval or encouragement, but in Japan this action is considered disrespectful.

Customs

Knowing the popular customs of the countries in which you are conducting business will also help avoid embarrassing situations. What is an acceptable business practice in one country may be totally offensive in another.

In Mexico, for example, it is considered polite to ask business acquaintances about their families. In the Middle East, however, this kind of questioning is considered inappropriate.

Protocol. Titles or rank in government are very important in some countries. When meeting people from other countries, you should pay close attention to the titles and names of those involved. Follow closely the same titles and names when addressing them later.

The most important business protocol to follow is "be patient." In the United States, it is common to race against the clock and squeeze as much into one day as possible. It is considered admirable when we spend only a few minutes socializing with business partners and then get right to the main topic of the venture.

Although we ascribe to this philosophy, it is not true in many other countries. Japan is a prime example. It has been said that we think in terms of days, weeks, and months, and the Japanese think in terms of months and years. This causes complications for many U.S. businesspeople who do not realize the Japanese consider it essential to get to know their foreign business partners. Once a business relationship is established with the Japanese, however, it generally lasts for years.

Student Supplement 2

The Europeans, on the other hand, are more like U.S. businesspeople. The business relationship may develop faster than with the Japanese, but there is still protocol to follow. Europeans seldom conduct business meetings in a hurry and are usually booked days in advance.

Holidays. National holidays are not the same throughout the world. In India and many Middle East countries, there are many religious holidays on which business is never conducted.

Other variations in calendars are due to regional tradition. For example, the Islamic religion uses a lunar calendar of 354 to 355 days, counting from the day on which the prophet Mohammed fled from Mecca in A.D. 622. Followers base their personal lives on this calendar but use the more-familiar-to-us Roman calendar for conducting business.

Gift giving. The custom of gift giving presents another complication when east meets west. If a Western businessperson fails to bring a small but thoughtful gift to a Far Eastern counterpart, that official may feel the Westerner places too little emphasis on the importance of the meeting and has committed a breach of etiquette.

Business-office environment. Another aspect of dealing with businesspeople of other countries is the environment of their offices. U.S. workers are accustomed to a traditional 8-to-5 work day, 40 hours a week, 5 days a week, a 1-hour lunch, and closed offices on Saturday and Sunday. This standard may be a pattern for the United States, but it is observed in few other nations.

For example, in Spain and Latin America, many offices close between 2 and 5 P.M. for lunch, formerly "siesta" time. Businesspeople of these countries go home and the entire family meets together to eat lunch. They return to the office about 5 P.M. and may work until 8:30 or 9 P.M.

In the People's Republic of China, India, and South Korea, the regular work week is six days. Also, in many countries offices are open on Saturday—at least until noon.

In Japan, office hours are roughly 9 to 5, but professional workers usually work late into the evening. They usually work six days a week, entertain for business purposes at night, and dedicate the entire week to business. The Japanese say "You get to a man's soul at night."

In Great Britain, the businessperson would find an entirely different attitude. If you meet with British businesspeople after work hours, it is to be considered "social" time only. They believe that when the business office closes for the day, business is over for the day.

Business attire. In the United States, the accepted business attire for men is the business suit. This is generally a dark blue or gray. It is preferred the shirt be white for more important meetings, but prints and pastels are acceptable during regular business days. All ties should be very conservative. Many other countries have the same type of business-attire standards with little variations.

Student Supplement 2

Businesswomen world-wide wear business suits or dresses to the office. Some countries have very definite dress standards for women. In some Middle Eastern countries, women are expected to wear clothing that covers as much of their body as possible. In Japan, very conservative dress is expected and a woman is to be very certain her neck is covered. A businesswoman from the United States should be aware of these codes and dress accordingly.

Business cards. Business cards can be found in the United States lying on most desks. We hand them out to be placed in drawings, and post them on restaurant walls. But, in some countries, the business card is considered much more valuable. They are used throughout the world, but not with the same type of distribution. In Great Britain, cards are exchanged only when names are unclear or to assist in remembering a telephone number. In Germany, only upper-level business executives exchange cards.

It is considered polite if you have your business card printed in English on one side and in the language of the country with which you are dealing on the other side.

In Japan, business cards are exchanged freely and are very important in business protocol there. It has been estimated that in one year over 10 million cards are exchanged in Japan. In a meeting of Japanese businesspeople, the highest-level executive will extend a card first. It will be presented with both hands and received very graciously with the right hand. The Japanese never toss a business card across the table or write notes on it.

In Middle Eastern countries, do not offer a business card until the host offers one. Then, use the right hand to retrieve the card. Many Middle Eastern businesspeople have unlisted telephone numbers, so the cards should be kept at least until the number is recorded in your telephone log.

Economic classifications. Economists classify the nations of the world according to their industrial development and economic levels. The high-income countries include those in Western Europe, the United States, Canada, Australia, New Zealand, and Japan. These are usually referred to as *industrial* or *developed countries.*

Other non-communist nations of the world are referred to as *developing* or *lesser developed countries* (LDCs). You also may see these referred to as "Third World" nations, although that term has fallen into disfavor since the collapse of the former Soviet Union.

Among the LDCs are a number of nations that have become highly developed over the past 20 years, such as South Korea and Brazil. These nations are now referred to as *newly industrialized countries* (NICs).

At one time, the communist nations formed a block of trading partners, but since the disappearance of the Soviet Union, only a few remain, such as Cuba, North Korea, and Vietnam. These are referred to as *centrally planned economies* (CPEs). Although still ruled by communist leaders, the People's Republic of China is rapidly making internal economic changes reflecting a move toward a more market-oriented economy, and therefore, is somewhat of a hybrid case that promises to play a vital part in international trade in the coming years.

International Trade Regions
Unit 2

Assignment Sheet 1—Explore the Impact of Geography on the Major International Trade Regions

Name ______________________ Overall rating ____________

Evaluation criteria	**Rating**
Directions have been followed	_____
85% of student responses are correct	_____

Introduction

One economist interviewed for the preparation of this text made the statement, "Much of life is luck!" What he was talking about was a geographical statement concerning where on earth one finds oneself.

For instance, if you consider that two-thirds of the earth's surface is covered with water, and the majority of the remaining land surface is desert or ice-covered, or otherwise unusable for habitation—containing swamps, lava flows, mountainsides, tropical jungles, or glacier canyons—only a relatively small percentage of the earth remains for its 5 billion people to live. There are three major regions where most of those folks are clustered—Eastern and Southeastern Asia including China, the Indian peninsula, Indonesia, and the Pacific Coast including Japan and the Koreas; Western Europe; and North America.

Economists are also quick to point out the majority of economic activity and so-called *progress* in civilization has taken place in the world's northern temperate zones, where the bulk of the people live. With those large populations, demand for goods and services developed, and that caused a historic movement of goods and services from south to north—in both the eastern and western hemispheres. South of the equator, the temperate zones lie mainly over oceans; therefore, similar living patterns have not been possible there.

Ultimately, what the quotable economist was saying was if you are lucky enough to be one of these temperate zones, chances are you will be in one of the richer nations, comparatively speaking.

This *liveable land* resource has had a powerful influence on where people live and how trading patterns evolved.

Assignment Sheet 1

People settled where they could grow a dependable supply of food, and that usually meant on rich soils near major rivers. Once a food supply was established, other manufacturing evolved to meet the needs of a growing population. With manufacturing comes an abundance of goods, and where there is abundance of goods, there are traders.

So, trading began around arable land (land that can be farmed) and the agriculture it supported. The so-called *Cradle of Civilization* in the Tigris and Euphrates River valleys of the Middle East, the Nile Valley in Egypt, the Hwang Ho Valley in China, and the Indus Valley in India and Pakistan were the first places people could remain fixed in one area and not be dependent upon hunting and gathering activities. The same was true as people settled along the Rhine, Danube, Seine, and Thames Rivers of Europe, and later, the Mississippi, Missouri, Ohio, and Arkansas River Valleys of North America.

Today, there are three major global trading areas developing around the major industrial market economies of the world. They are centered in Europe, North America, and the western fringe of the Pacific Ocean, or the so-called *Pacific Rim* nations.

There also are a number of other smaller, but still important, trade regions in the world including South America, Central America, the Caribbean Basin, North Africa, and the Middle East countries.

Your goal in completing the exercise in this assignment sheet is to explore the impact of geography on these major international trade regions.

Exercise

Part A **Explore the European Trade Region**

Directions Review the information in Objectives 5, 6, and 7 of the information sheet and obtain a world atlas. Then, use the information in the information sheet and the atlas to answer each of the following items.

1. The nations on the next page are included in the European Trade Region. Study the map on page 191, and then, on the blanks on the next pages, identify the nations included in the trade region.

Assignment Sheet 1

Albania
Austria
Belgium
Bosnia-Herzegovina
Bulgaria
Byelarus
Croatia
Czech Republic
Denmark
Estonia
Finland
France
Germany
Greece
Hungary
Iceland
Ireland
Italy
Latvia
Liechtenstein
Lithuania
Luxembourg
Macedonia
Moldova
Montenegro
the Netherlands
Norway
Poland
Portugal
Romania
Russia
Serbia
Slovakia
SLovenia
Spain
Sweden
Switzerland
Ukraine
United Kingdom

a. ______________________________

b. ______________________________

c. ______________________________

d. ______________________________

e. ______________________________

f. ______________________________

g. ______________________________

h. ______________________________

i. ______________________________

j. ______________________________

k. ______________________________

l. ______________________________

m. ______________________________

n. ______________________________

o. ______________________________

p. ______________________________

q. ______________________________

Assignment Sheet 1

r. ______________________________

s. ______________________________

t. ______________________________

u. ______________________________

v. ______________________________

w. ______________________________

x. ______________________________

y. ______________________________

z. ______________________________

aa. ______________________________

bb. ______________________________

cc. ______________________________

dd. ______________________________

ee. ______________________________

ff. ______________________________

gg. ______________________________

hh. ______________________________

ii. ______________________________

jj. ______________________________

kk. ______________________________

ll. ______________________________

mm. ______________________________

Assignment Sheet 1

2. On the blanks below, list the member nations of the EC, and then, shade these countries on the map on page 191.

a. ______________________________

b. ______________________________

c. ______________________________

d. ______________________________

e. ______________________________

f. ______________________________

g. ______________________________

h. ______________________________

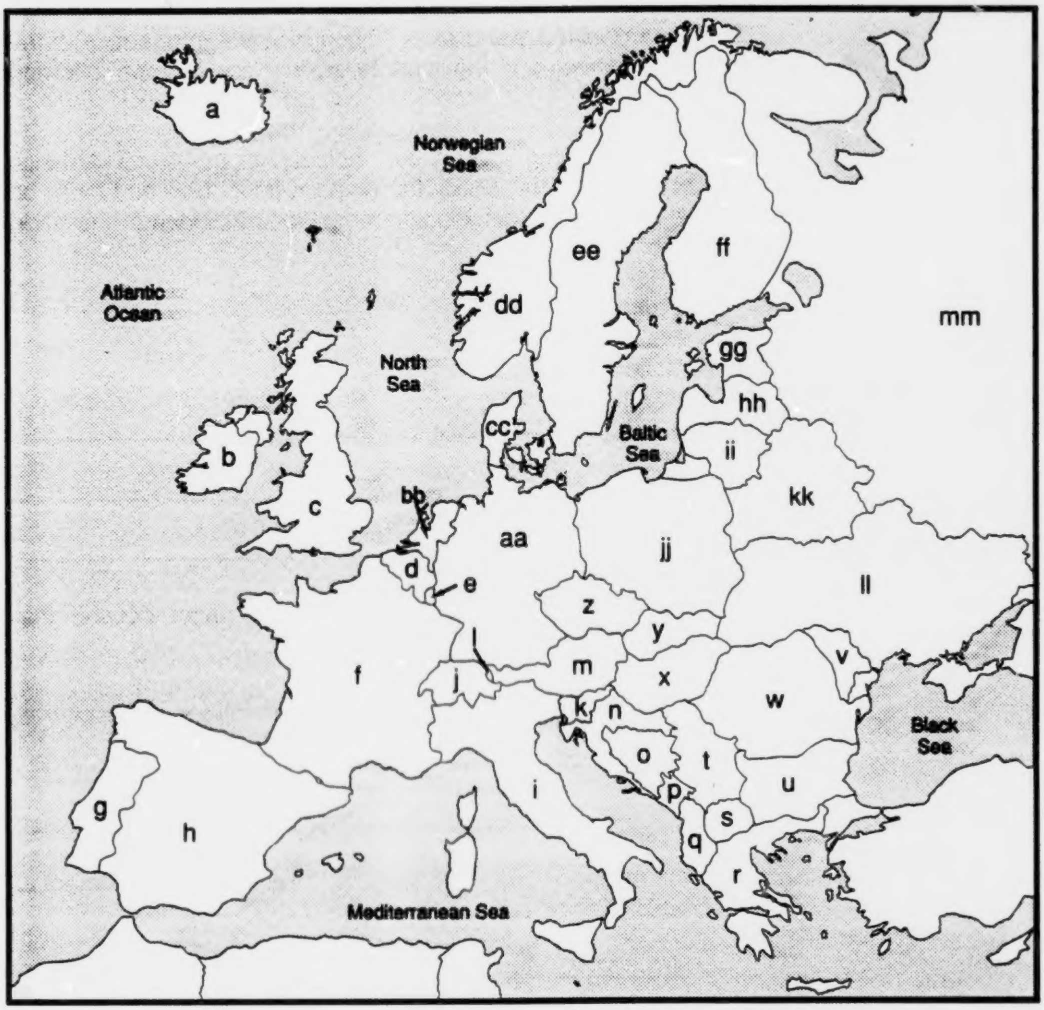
i. ______________________________

j. ______________________________

k. ______________________________

l. ______________________________

Assignment Sheet 1


a
Norwegian Sea
Atlantic Ocean
North Sea
ee
ff
dd
mm
gg
hh
cc
Baltic Sea
ii
b
c
bb
kk
aa
jj
d
e
ll
z
y
v
f
j
l
m
x
w
k
n
Black Sea
o
t
p
u
g
h
i
s
q
r
Mediterranean Sea

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Assignment Sheet 1

Part B **Explore the North America Trade Region**

Directions Review the information in Objectives 5, 6, and 7 of the information sheet and obtain a world atlas. Then, use the information in the information sheet and the atlas to answer each of the following items.

1. The following nations are included in the North America Trade Region. Study the map on page 193, and then, on the blanks below, identify the nations included in the trade region.

   Canada
   Mexico
   United States of America

   a. ______________________________

   b. ______________________________

   c. ______________________________

2. On the blanks below, list the three major oceans that surround this trade region.

   a. ______________________________

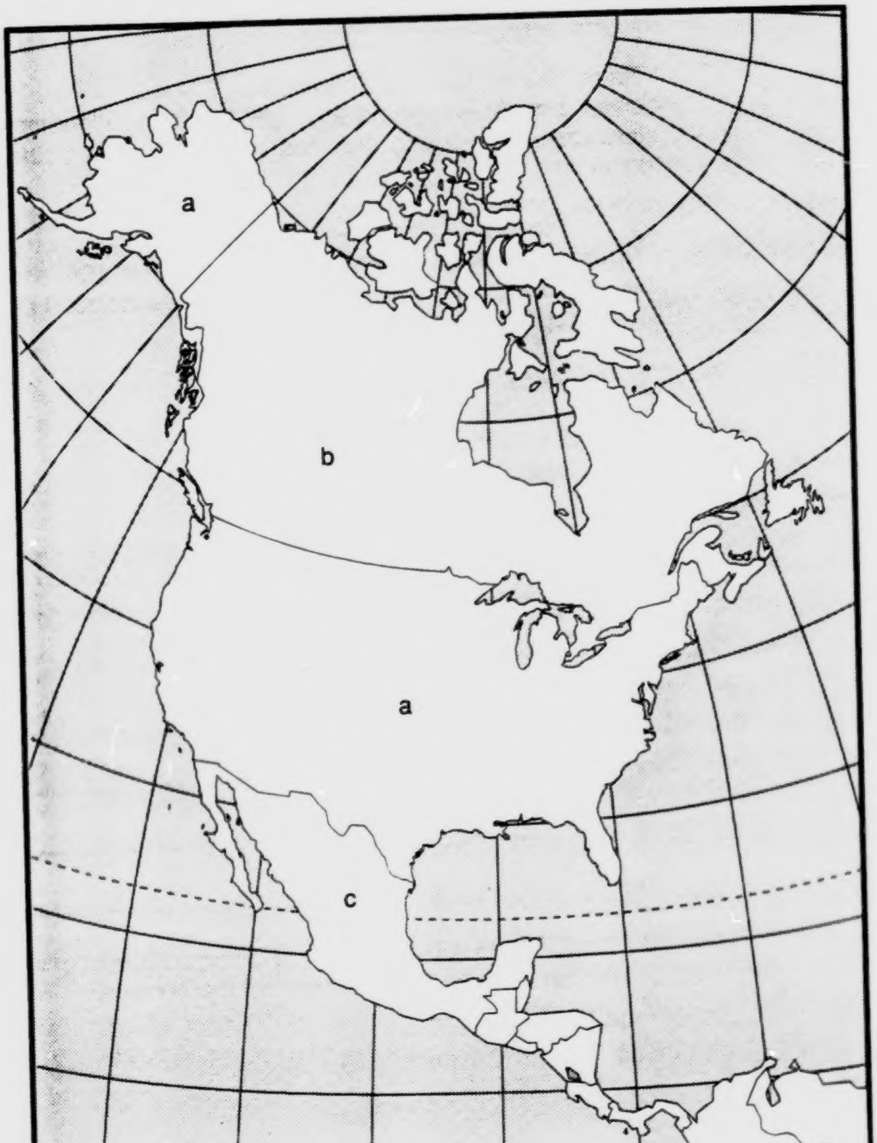
   b. ______________________________

   c. ______________________________

3. On the blank below, list the international trade agreement of which Canada, Mexico, and the U.S. are members.

   ____

Assignment Sheet 1



Assignment Sheet 1

Part C **Explore the Central America Trade Region**

Directions Review the information in Objectives 5, 6, and 7 of the information sheet and obtain a world atlas. Then, use the information in the information sheet and the atlas to answer each of the following items.

1. The following nations are included in the Central America Trade Region. Study the map on page 195, and then, on the blanks below, identify the nations included in the trade region.

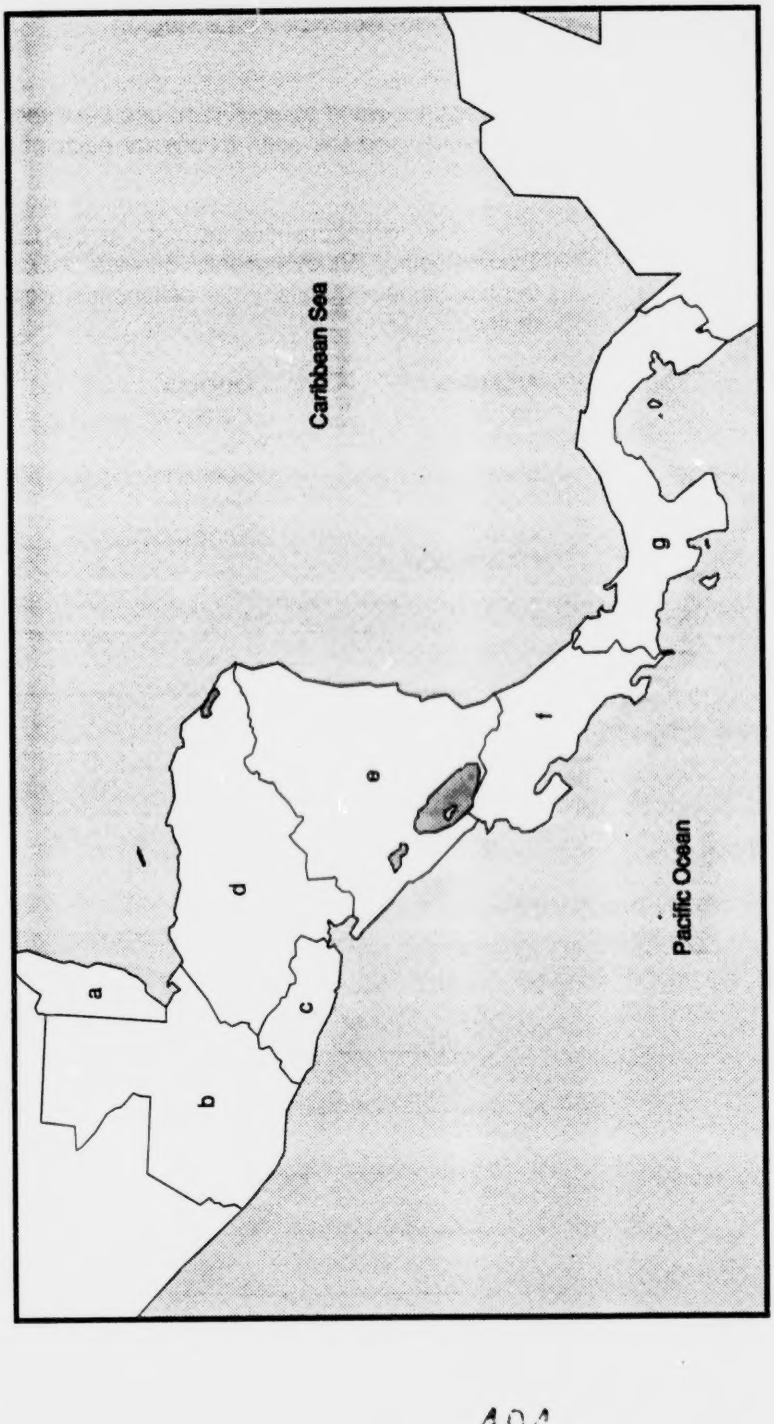
   Belize
   Costa Rica
   El Salvador
   Guatemala
   Honduras
   Nicaragua
   Panama

   a. ____________________
   b. ____________________
   c. ____________________
   d. ____________________
   e. ____________________
   f. ____________________
   g. ____________________

2. On the blanks below, list the member nations of the CACM, and then, shade the outlines of these countries on the map on page 195.

   a. ____________________
   b. ____________________
   c. ____________________
   d. ____________________
   e. ____________________

Assignment Sheet 1


Caribbean Sea
Pacific Ocean
a
b
c
d
e
f
g

Assignment Sheet 1

Part D **Explore the South America Trade Region**

Directions Review the information in Objectives 5, 6, and 7 of the information sheet and obtain a world atlas. Then, use the information in the information sheet and the atlas to answer each of the following items.

1. The following nations are included in the South America Trade Region. Study the map on page 199, and then, on the blanks below, identify the nations included in the trade region.

   Argentina
   Bolivia
   Brazil
   Chile
   Colombia
   Ecuador
   French Guiana
   Guyana
   Paraguay
   Peru
   Suriname
   Uruguay
   Venezuela

   a. ______________________________

   b. ______________________________

   c. ______________________________

   d. ______________________________

   e. ______________________________

   f. ______________________________

   g. ______________________________

   h. ______________________________

   i. ______________________________

   j. ______________________________

   k. ______________________________

   l. ______________________________

   m. ______________________________

Assignment Sheet 1

2. On the blanks below, list the nations in South America that are part of the LAIA, and then, shade the outlines of these countries on the map on page 199.

   a. ____________________
   b. ____________________
   c. ____________________
   d. ____________________
   e. ____________________
   f. ____________________
   g. ____________________
   h. ____________________
   i. ____________________
   j. ____________________
   k. ____________________

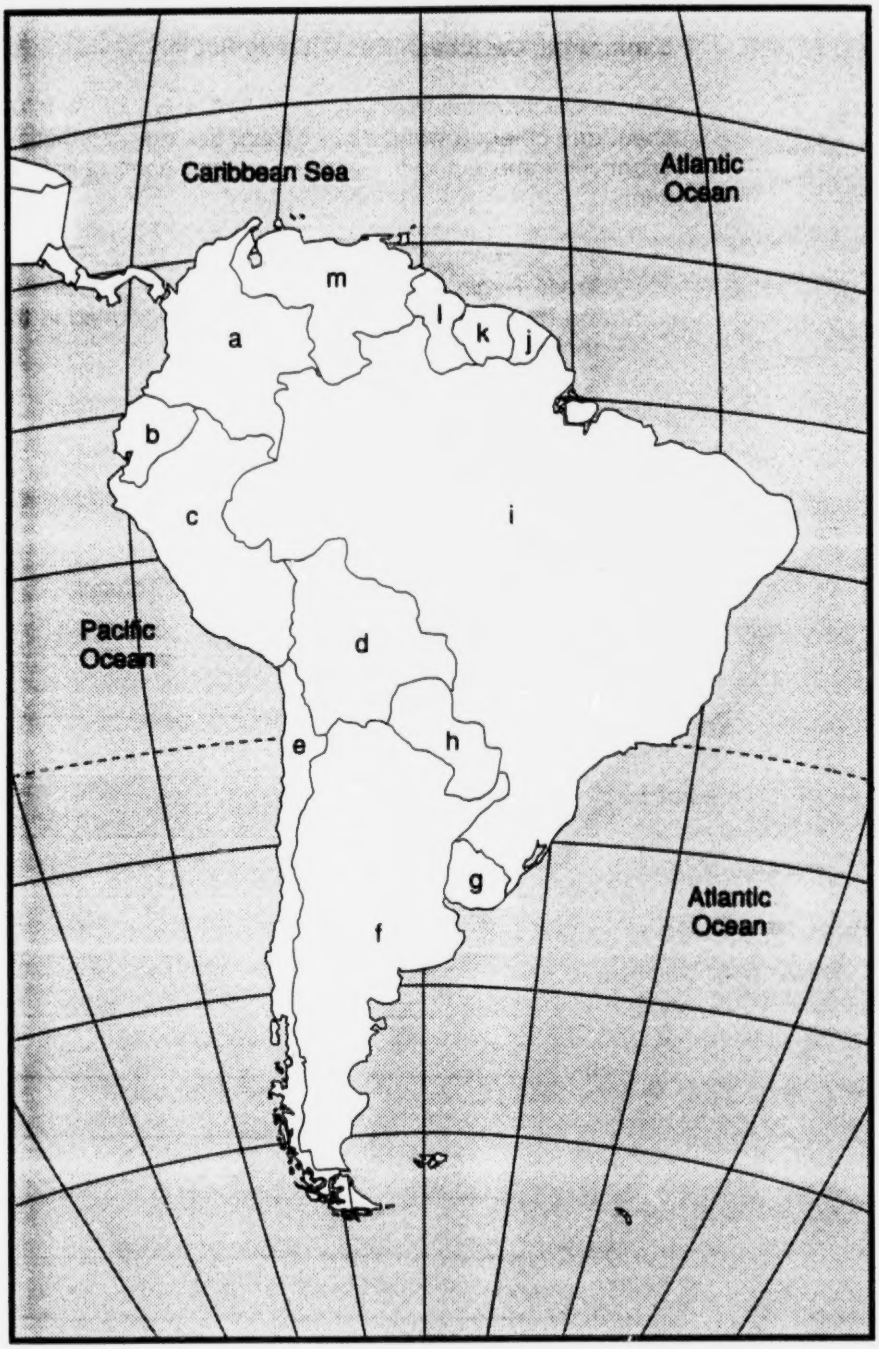
3. On the blank below, list the nation that is also a member of another trade region.

   ____

4. On the blanks below, list the nations in this trade region that have formed the Andean Pact, and then, draw a star on the map on page 199 within the borders of each of these countries.

   a. ____________________
   b. ____________________
   c. ____________________
   d. ____________________
   e. ____________________

Assignment Sheet 1


Caribbean Sea
Atlantic Ocean
m
a
l
k
j
b
i
c
Pacific Ocean
d
h
e
g
Atlantic Ocean
f

Assignment Sheet 1

Part E **Explore the Caribbean Basin Trade Region**

Directions Review the information in Objectives 5, 6, and 7 of the information sheet and obtain a world atlas. Then, use the information in the information sheet and the atlas to answer each of the following items.

1. The following nations are included in the Caribbean Basin Trade Region. Study the map on page 203, and then, on the blanks below, identify the nations included in the trade region.

Antigua and Barbuda
Bahamas
Barbados
Dominica
Dominican Republic
Grenada
Haiti
Jamaica
Montserrat
Puerto Rico
St. Christopher and Nevis
St. Lucia
St. Vincent
Trinidad and Tobago

a. ______________________________

b. ______________________________

c. ______________________________

d. ______________________________

e. ______________________________

f. ______________________________

g. ______________________________

h. ______________________________

i. ______________________________

j. ______________________________

k. ______________________________

l. ______________________________

m. ______________________________

n. ______________________________

Assignment Sheet 1

2. On the blanks below, list the CARICOM nations, and then, shade the outlines of the Caribbean Basin countries on the map on page 203.

a. ______________________________

b. ______________________________

c. ______________________________

d. ______________________________

e. ______________________________

f. ______________________________

g. ______________________________

h. ______________________________

i. ______________________________

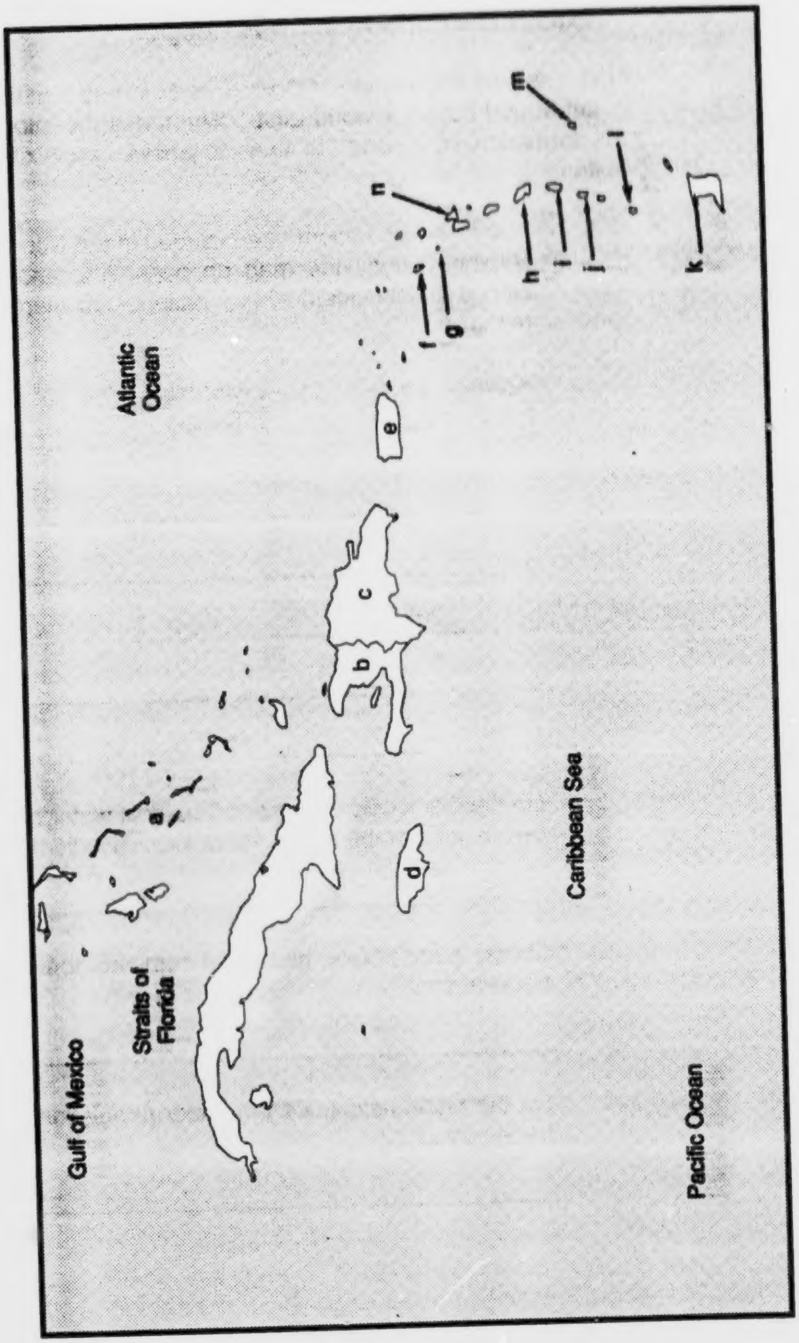
j. ______________________________

k. ______________________________

l. ______________________________

m. ______________________________

Assignment Sheet 1


Gulf of Mexico
Straits of Florida
Atlantic Ocean
Caribbean Sea
Pacific Ocean
a
b
c
d
e
f
g
h
i
j
k
l
m
n

Assignment Sheet 1

Part F **Explore the North Africa Trade Region**

Directions Review the information in Objectives 5, 6, and 7 of the information sheet and obtain a world atlas. Then, use the information in the information sheet and the atlas to answer each of the following items.

1. The following nations are included in the North Africa Trade Region. Study the map on page 205, and then, on the blanks below, identify the nations included in the trade region.

Algeria
Egypt
Libya
Morocco
Tunisia

a. ______________________________

b. ______________________________

c. ______________________________

d. ______________________________

e. ______________________________

2. On the blank below, name the body of water common to the five nations in the North Africa Trade Region.

____

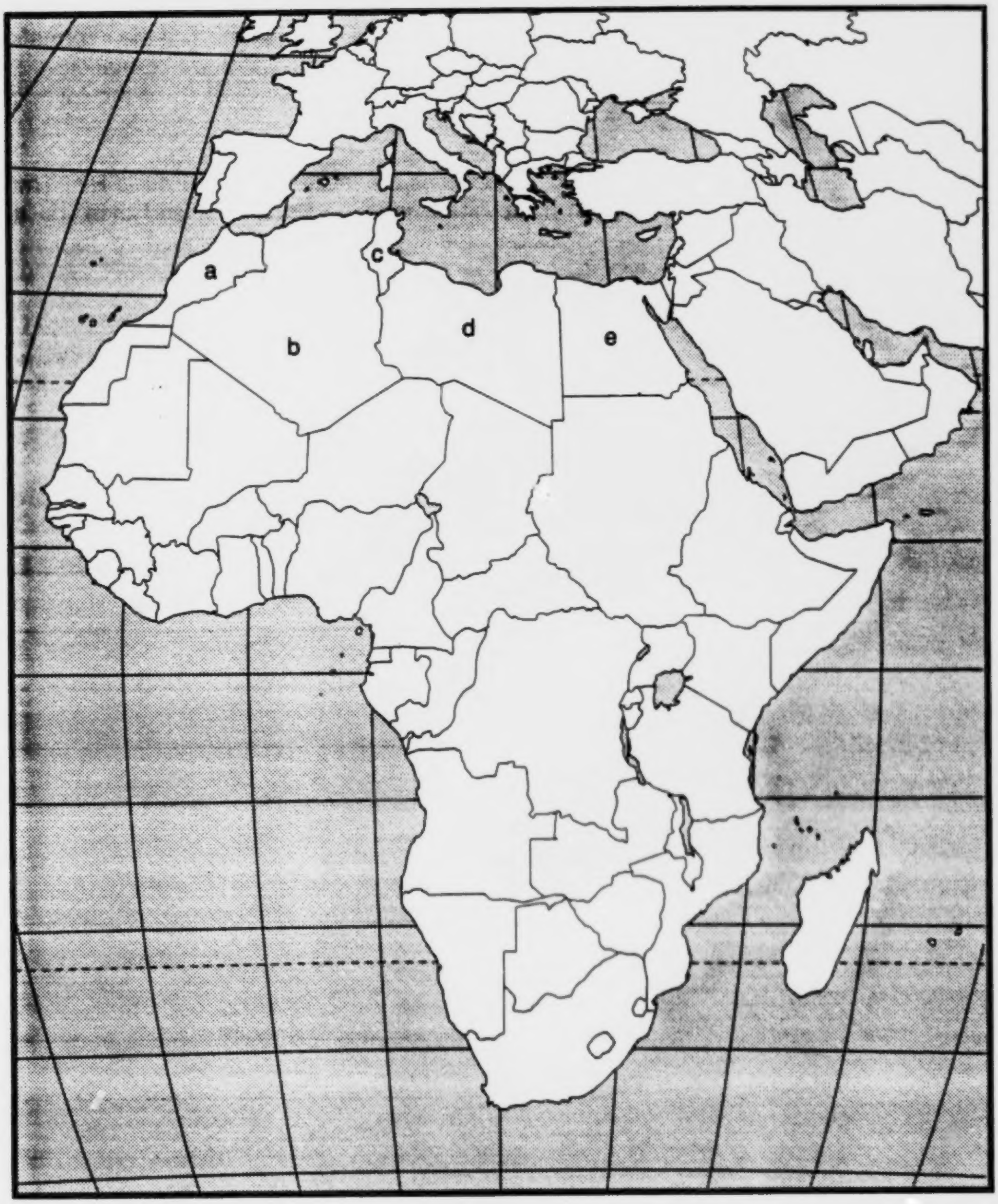
3. On the blank below, name the dominant topography of the trade region.

____

4. On the blank below, list the major population center of the trade region.

____

Assignment Sheet 1



Assignment Sheet 1

Part G **Explore the Pacific Rim Trade Region**

Directions Review the information in Objectives 5, 6, and 7 of the information sheet and obtain a world atlas. Then, use the information in the information sheet and the atlas to answer each of the following items.

1. The following nations are included in the Pacific Rim Trade Region. Study the map on page 209, and then, on the blanks below, identify the nations included in the trade region.

Australia
Brunei
Hong Kong
Indonesia
Japan
Malaysia
New Guinea
New Zealand
The People's Republic of China
The Philippines
Singapore
South Korea
Taiwan
Thailand

a. ____________________

b. ____________________

c. ____________________

d. ____________________

e. ____________________

f. ____________________

g. ____________________

h. ____________________

i. ____________________

j. ____________________

k. ____________________

l. ____________________

m. ____________________

n. ____________________

Assignment Sheet 1

2. On the blanks below, list the ASEAN nations, and then, shade the outlines of these countries on the map on page 209.

   a. ______________________________

   b. ______________________________

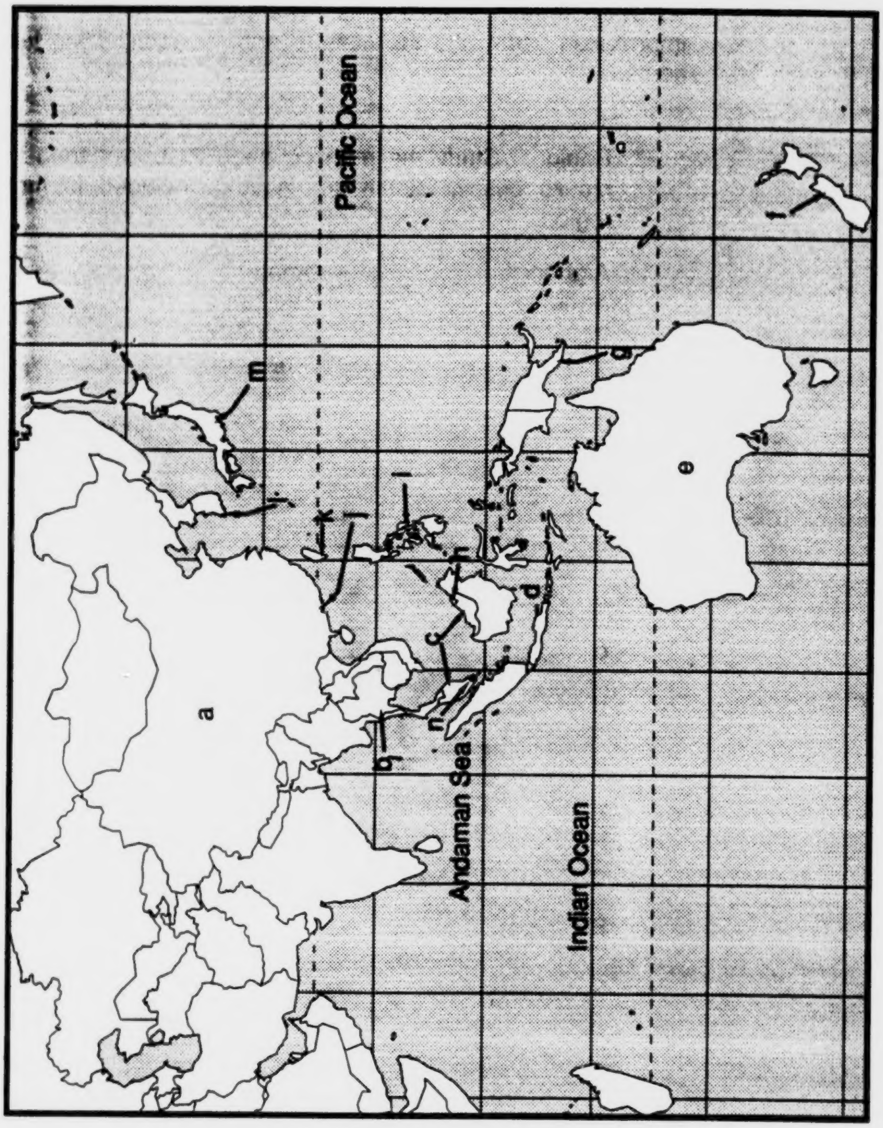
   c. ______________________________

   d. ______________________________

   e. ______________________________

   f. ______________________________

Assignment Sheet 1


Pacific Ocean
Andaman Sea
Indian Ocean
a
b
c
d
e
f
g
h
i
j
k
l
m
n

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Assignment Sheet 1

Part H **Explore the Middle East Trade Region**

Directions Review the information in Objectives 5, 6, and 7 of the information sheet and obtain a world atlas. Then, use the information in the information sheet and the atlas to answer each of the following items.

1. The following nations are included in the Middle East Trade Region. Study the map on page 213, and then, on the blanks below, identify the nations included in the trade region.

Afghanistan
Armenia
Iran
Iraq
Israel
Jordan
Kuwait
Lebanon
Oman
Pakistan
Saudi Arabia
Syria
Turkey
United Arab Emirates
Yemen

a. ______________________________

b. ______________________________

c. ______________________________

d. ______________________________

e. ______________________________

f. ______________________________

g. ______________________________

h. ______________________________

i. ______________________________

j. ______________________________

k. ______________________________

l. ______________________________

m. ______________________________

n. ______________________________

o. ______________________________

Assignment Sheet 1

2. On the blanks below, list the six bodies of water that surround the trade region.

   a. ____________________

   b. ____________________

   c. ____________________

   d. ____________________

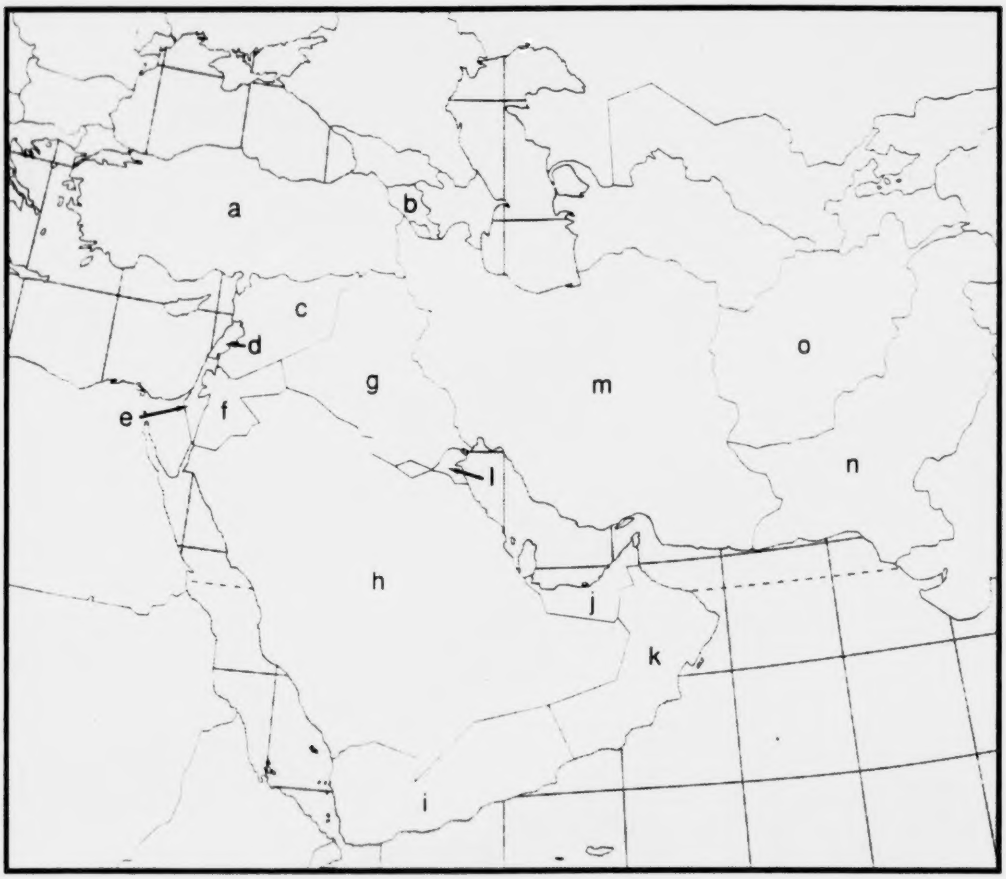
   e. ____________________

   f. ____________________

3. On the blank below, list the major man-made waterway that separates the countries in the Middle East Trade Region from those in the North Africa Trade Region.

   ____

Assignment Sheet 1


a
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o
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h
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k
i

Assignment Sheet 1

Part I **Explore the global trade routes**

Directions Over the years, certain trade routes have evolved across the oceans of the earth. By trial and error, navigators have found the shortest, least-dangerous routes between major sea ports of the world. Distances over sea lanes are measured in nautical miles (roughly 1.1 statute mile per nautical mile) and are computed in the generally straight-line distances traveled by cargo ships. This part of the assignment sheet involves a number of map activities to familiarize you with a few of the world trade routes.

Use the global trade-route map on page 217, which is noted in nautical miles, to answer each of the following items.

1. Much of the United States' oil supply is imported from Middle East oil fields in Kuwait, Saudi Arabia, and the Persian Gulf. Trace the route from Abadan, Iran, at the upper end of the Persian Gulf, to the U.S. port of New Orleans, where much of the imported oil is off-loaded to nearby Louisiana refineries. On the blank lines provided below, state the number of nautical miles in this trip and list the oceans/seas/gulfs that are crossed.

   a. Number of nautical miles ____________________

   b. Oceans/seas/gulfs crossed ____________________

   ____

2. The busiest trade routes in the world are across the North Atlantic between New York and northwestern Europe. As an exporter of designer blue jeans in New York City, you contract to deliver 5000 pair of jeans to an importer in London, England. On the blank below, state the number of nautical miles your jeans will travel.

   Number of nautical miles ____________________

3. Australia is one of the chief suppliers of beef to Japan. Use the map on page 217 to answer each of the following items.

   a. On the blank below, state the name of the Japanese port through which the beef would be imported from Sydney.

   Japanese port ____________________

Assignment Sheet 1

b. On the blank below, state the number of nautical miles the beef will travel from Sydney in reaching the Japanese port you listed above?

Number of nautical miles ____________________

4. On the blanks below, list the major sea ports in the United States.

a. ____________________

b. ____________________

c. ____________________

d. ____________________

e. ____________________

5. On the blanks below, describe the shortest trade route from Yokohama, Japan, to London, England, by naming the various ports one would pass along the way.

a. ____________________

b. ____________________

c. ____________________

6. An Australian wool company receives an order from a London-based clothier. The wool was loaded on a ship at Fremantle, Australia. State the number of nautical miles in the shortest trade route the wool would take to reach London, and list the oceans that are crossed.

a. Number of nautical miles ____________________

b. Oceans crossed ____________________

____

7. A New Zealand supermarket chain orders a shipload of Central American bananas from a vendor in Guatemala. The bananas are to be shipped from Panama after being trucked from plantations in Guatemala. State the number of nautical miles in the sea lane from Panama to Wellington, New Zealand, and list the ocean that is crossed.

a. Number of nautical miles ____________________

b. Ocean crossed ____________________

Assignment Sheet 1

8. On a trip from San Francisco, California, to Buenos Aires, Argentina, ships must pass through a narrow strait between Central America and South America.

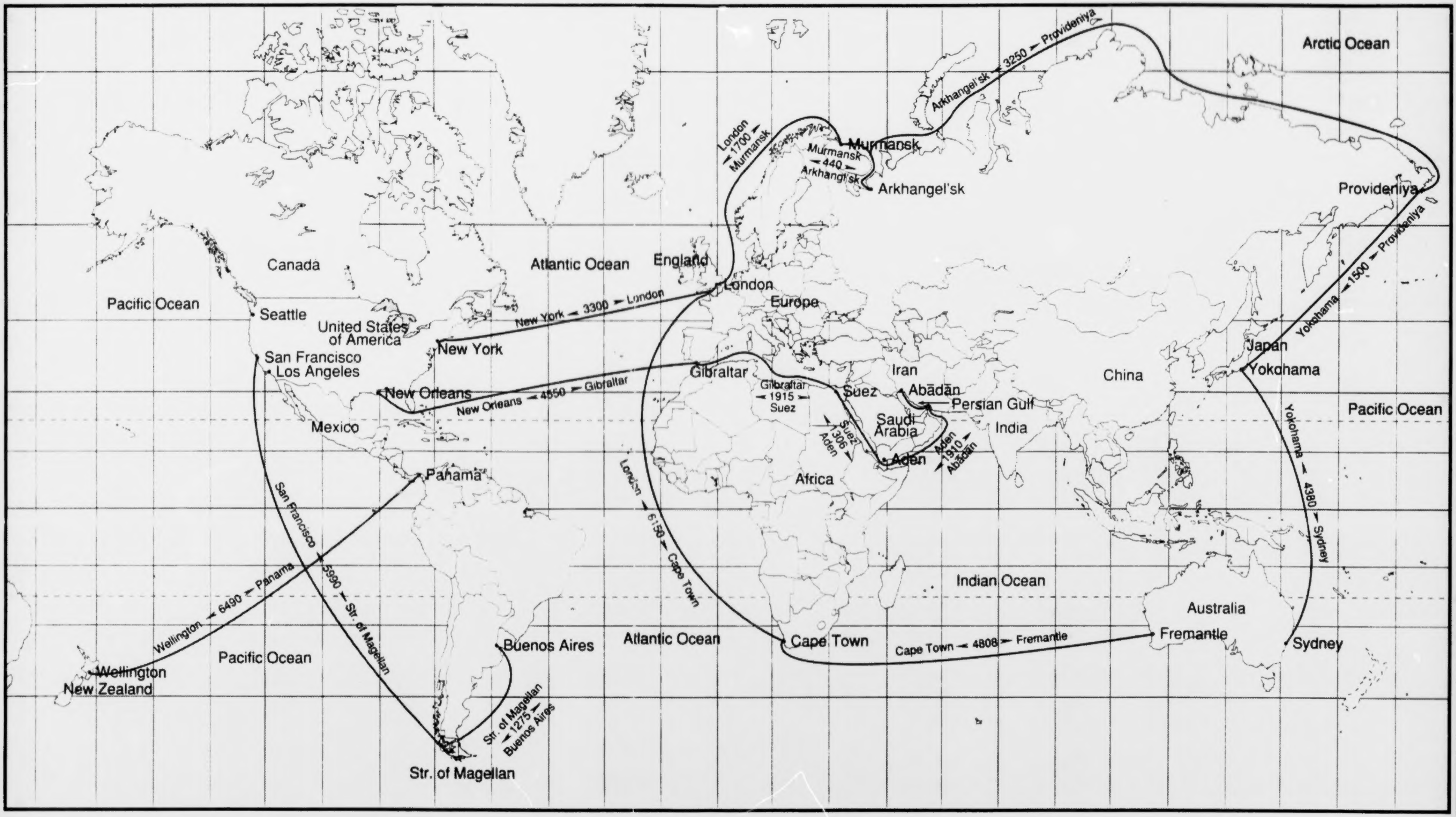
   a. On the blank below, name the strait through which the ships must pass.

   ____

   b. On the blank below, state the number of nautical miles from the strait named above to Buenos Aires.

   Number of nautical miles ______________________

Assignment Sheet 1


Arctic Ocean
London ◄ 1700 ► Murmansk
Arkhangel'sk ◄ 3250 ► Provideniya
Murmansk
Murmansk ◄ 440 ► Arkhangel'sk
Arkhangel'sk
Provideniya
Canada
Atlantic Ocean
England
London
Pacific Ocean
Seattle
United States of America
Europe
New York ◄ 3300 ► London
New York
San Francisco
Los Angeles
Iran
Japan
Yokohama
China
Gibraltar
New Orleans
New Orleans ◄ 4550 ► Gibraltar
Gibraltar ◄ 1915 ► Suez
Suez
Abādān
Persian Gulf
Pacific Ocean
Yokohama ◄ 1500 ► Provideniya
Mexico
Saudi Arabia
India
Suez ◄ 1306 ► Aden
Aden ◄ 1910 ► Abādān
Aden
Panama
Africa
London ◄ 6150 ► Cape Town
San Francisco ◄ 5990 ► Str. of Magellan
Yokohama ◄ 4380 ► Sydney
Indian Ocean
Wellington ◄ 6490 ► Panama
Australia
Buenos Aires
Atlantic Ocean
Cape Town
Cape Town ◄ 4808 ► Fremantle
Fremantle
Sydney
Pacific Ocean
Wellington
New Zealand
Str. of Magellan ◄ 1275 ► Buenos Aires
Str. of Magellan

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Assignment Sheet 1

Part J **Use a time-zone map**

Directions

Time zones greatly affect international trade. This part of the assignment sheet involves a number of map activities to familiarize you with the complexity of dealing with time-zone differences involved in making international-trade transactions.

Study the time-zone map on page 221. Use this map to answer each of the following items.

1. Locate the United States and the time zone numbered -7. On the blanks provided below, state the correct time in each of the other countries listed when it is 6:00 A.M. in time zone -7.

   a. In Spain, the time would be ____________________

   b. In Egypt, the time would be ____________________

   c. In Japan, the time would be ____________________

   d. In western China, the time would be ______________

2. Locate California on the time-zone map. On the blanks provided below, state the correct time in each of the other sites listed when it is 12 noon in California.

   a. In New York City, the time would be ______________

   b. In Hong Kong, the time would be ________________

   c. In Hawaii, the time would be ____________________

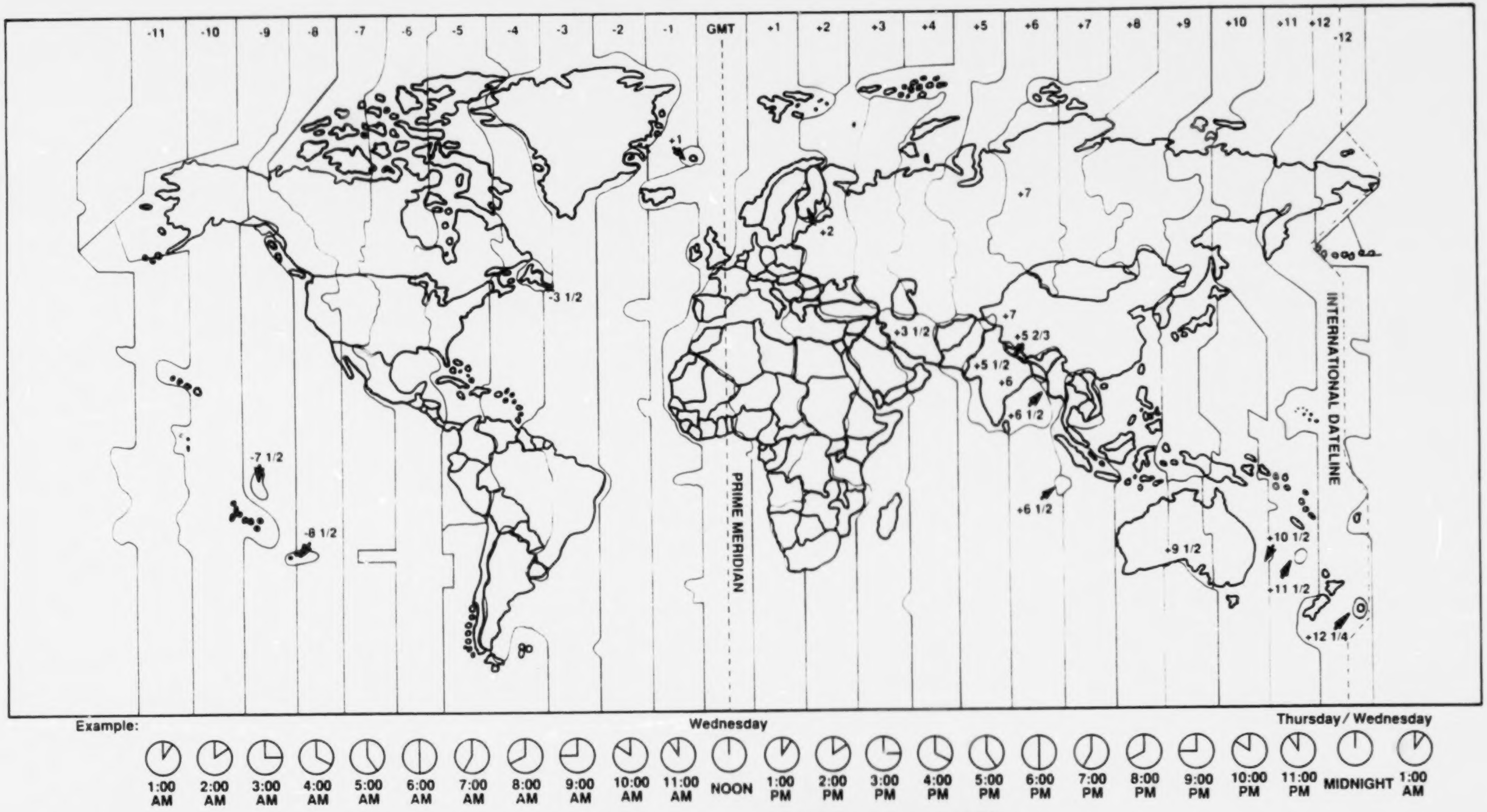
3. Locate Washington, D.C., on the time-zone map. On the blanks provided, state the correct time in each of the other sites listed when it is 9:00 A.M. in Washington, D.C.

   a. In Oklahoma City, Oklahoma, the time would be

      ____

   b. In Taiwan, the time would be ___________________

   c. In the United Kingdom, the time would be _________


-11
-10
-9
-8
-7
-6
-5
-4
-3
-2
-1
GMT
+1
+2
+3
+4
+5
+6
+7
+8
+9
+10
+11
+12
-12
+1
+2
+7
-3 1/2
+7
+3 1/2
+5 2/3
+5 1/2
+6
+6 1/2
+6 1/2
-7 1/2
-8 1/2
+9 1/2
+10 1/2
+11 1/2
+12 1/4
PRIME MERIDIAN
INTERNATIONAL DATELINE
Example:
Wednesday
Thursday / Wednesday
1:00 AM
2:00 AM
3:00 AM
4:00 AM
5:00 AM
6:00 AM
7:00 AM
8:00 AM
9:00 AM
10:00 AM
11:00 AM
NOON
1:00 PM
2:00 PM
3:00 PM
4:00 PM
5:00 PM
6:00 PM
7:00 PM
8:00 PM
9:00 PM
10:00 PM
11:00 PM
MIDNIGHT
1:00 AM

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International Trade Regions
Unit 2

Assignment Sheet 2—Explore the Impact of Certain Cultural Aspects on International Trade

Name ______________________ Overall rating ____________

Evaluation criteria	Rating
Directions have been followed	____
In Part A, 85% of student responses are correct	____
In Part B, student responses are relevant and well thought out	____

Introduction

As you have discovered by reading Student Supplement 2, "The Impact of Culture on International Trade," numerous cultural factors affect international trade—history, life-styles, communication styles, customs, economic classifications, etc. In this assignment sheet, you will explore how two of the cultural aspects—unit of measure and legal, moral, and ethical considerations—may affect international trade.

Unit-of-measure equivalents

The U.S. system of measure is based on British units of gallons, barrels, pounds, yards, etc. Everyone in our culture has the ability to fairly accurately estimate how much is in a gallon, how big is a barrel, how long is a yard, and how heavy is a pound.

However, the United States is the only major economic country using this system of measure—every other major economic country uses the metric-system units of liters, meters, grams, etc. This fact makes it difficult for the U.S. to participate in international trade—to transfer materials to other countries and for other countries to transfer materials to us. Many businesses list measurements in their trade documentation to show both types of measure so as to help in avoiding confusion.

In the first part of this assignment sheet, you will do some problem-solving to experience just how confusing this transfer from one unit of measure to another might become.

Assignment Sheet 2

For instance, a quart of motor oil manufactured and packaged in the U.S. is equivalent to .95 liters in nations where the metric system is used. Therefore, confusion might arise in adding the proper amount of oil to an engine designed and labeled in metric units. If such an engine required 5 liters of oil to bring it up to capacity, how many quarts would it take?

There are .95 liters in every quart, so one would divide the 5-liter capacity by a quart's fraction of a liter (.95) to derive an answer of 5.26 quarts.

Likewise, a German beermaker might want to export 1000 liters of German beer to the U.S. How much beer in U.S. barrels would that be? There are 117.35 liters in each U.S. barrel of beer (31 gallons). So, 1000 liters of beer, divided by 117.35 liters in each U.S. barrel would equal 8.52 U.S. barrels.

Legal, moral, and ethical considerations

When you approach a red light and it is obvious no other traffic is approaching the intersection and no one will see you, do you stop?

If a cashier gives you too much change back accidentally, do you correct the error, or do you keep the change?

In each of these examples, you have had to make a choice based on your beliefs and conscience. In the first, you decide to obey or break the law. In the second, you decide to keep or reject that which does not belong to you.

More than likely, no one ever would discover your actions. So, why do you make the decisions to stop at the traffic light or give back the extra change? Your behavior reflects values you have learned throughout your life.

In the United States, many of our laws are based on Judeo-Christian principles rooted in the teachings of the Ten Commandments and the writings of the New Testament. Many of those specific "shalls" and "shall nots" are summed up in the so-called *Golden Rule*: "Do unto others as you would have them do unto you."

Even in a non-religious sense, life in the U.S. is based on the idea that we are a nation governed by law, that all people—regardless of power, position, race, or creed—are to be treated the same according to the law, and that the law is to be respected for the good of the people.

Assignment Sheet 2

So, in the first instance concerning the stop light—even though the world would not stop turning and in all probability no one would have been injured if you had run the light on the deserted street—respect for the law caused you to stop. In the next instance, U.S. society generally accepts the notion one should not possess what rightfully belongs to another, so accepting the overpayment in change would have been wrong.

When dealing with people inside our own culture, then, our standards for what is considered legal, ethical, or moral are internalized and almost automatic.

However, when dealing with people outside our culture—cultures with different standards for what is moral, ethical, and legal—we can no longer simply trust our internalized standards. What may not be legal or moral or ethical in our society may be completely legal and moral and ethical in theirs. It may be necessary for us to establish clear definitions of legal, moral, and ethical for transactions across borders and across cultures.

Legal relates to the laws. Following the law and engaging only in activities permitted by that law are considered legal behaviors. Violations of the law are considered illegal actions.

Ethical refers to the unwritten standards by which a group judges what is right and wrong—the *code of ethics* of that group.

Morals and *moral behavior* are personal standards based on one's knowledge of right and wrong.

In the second part of this assignment sheet, you will explore just how difficult it can be to determine just what is legal, moral, or ethical when dealing with different cultures.

Exercise

Part A — Compute unit-of-measure equivalents

Directions Read each of the scenarios presented in items 1 through 5 on the next page, and solve the unit-of-measure equivalent problem outlined in each. Show your computations on a separate sheet of paper to be handed in with this completed assignment sheet.

Assignment Sheet 2

1. A Liberian tanker leaves the Alaskan Port of Valdez loaded with 120,000 U.S. barrels of North Slope crude oil, headed for a refinery outside Tokyo, Japan. Once the ship arrives, its contents are unloaded, measured in liters, and pumped into storage tanks.

   If there are 158.99 liters per U.S. barrel of oil, how many liters of oil did the ship bring from Alaska?

   Liters of oil ________________________________

2. To increase the amount of meat available to consumers, the Russian government contracted for 175,000 metric tons of corn for livestock feed from growers in France.

   If a metric ton is equivalent to 2200 pounds, and 2000 pounds equal a short ton (in the U.S. a short ton is referred to as a *ton*), how many short tons did the Russians buy?

   Number of short tons ________________________

3. The French bottled-water company, Perrier, exports hundreds of thousands of liters of its product into the U.S. each year.

   If a liter is equivalent to 1.06 quarts, and there are 4 quarts in a gallon, how many gallons of Perrier are there in a shipment of 4500 liters?

   Number of gallons ___________________________

4. If a Brazilian appliance manufacturer needed 42,000 metric tons of steel for a production run, how many short tons of steel would be needed in an order from an American mill to meet the manufacturer's needs?

   A metric ton is equivalent to 2200 pounds, and a short ton is equal to 2000 pounds.

   Number of short tons ________________________

5. The European food manufacturer, Nestles, is shipping 550,000 liters of *Quick* instant chocolate milk into the U.S. How many pints of *Quick* does that equal?

   There are .55 liters in each pint.

   Number of pints _____________________________

Assignment Sheet 2

Directions

Study the conversion chart below, and read each of the scenarios presented in items 6 through 8 below. Solve the unit-of-measure equivalent problem outlined in each. Show your computations on a separate sheet of paper to be handed in with this completed assignment sheet.

6. Egypt has just ordered 40,000 metric tons of hard red winter wheat produced in Kansas to be delivered from the Port of Galveston in Texas. How many U.S. tons would this order represent?

   U.S. tons ____________________

7. A U.S. rancher wishing to relocate to Argentina determined it would be necessary to buy 3,500 acres of grassland in Argentina. In dealing with Argentinean real-estate personnel, how many hectares would the rancher seek to buy?

   Hectares ____________________

8. An ethanol distiller in Illinois can produce 5,000 gallons of ethanol per day. How many days will it take to produce enough ethanol to fill an order of 133,475 liters from a Toronto, Canada refinery?

   Days ____________________

Conversion Chart

British units				Metric units
1 inch	=			25.4 millimeters
1 foot	=			0.304 meter
1 yard	=			0.914 meter
1 mile	=			1.609 kilometers
1 acre	=			0.404 hectare
1 quart	=			0.946 liter
1 gallon	=			3.785 liters
1 ounce	=			28.349 grams
1 pound	=			0.453 kilograms
1 pint	=			.55 liter
1 barrel	=	31 U.S. gallons	=	117.35 liters
1 barrel oil	=	42 U.S. gallons	=	158.99 liters
2200 pounds	=			1 ton
2000 pounds	=	1 U.S. ton	=	1 short ton

Assignment Sheet 2

Part B **Analyze scenarios concerning legal, moral, and ethical questions**

Directions Read each of the scenarios below, and then, ask yourself this question: "If I were the U.S. businessperson making this decision, would this be a legal, ethical, or moral question?" Record your response on the blank provided below each scenario, and then, explain why you selected this response.

1. You are provided with a company car that is to be used only while you are on company business. You have used the car while running personal errands, but in your mileage log, you have stated that you were on company business.

   Is this a moral, legal, or ethical question? ______________

   Why? ____

   ____

   ____

   ____

   ____

   ____

2. You are a U.S. citizen involved in international trade. You have agreed to pay a $5000 monthly "marketing fee" to a government official in another country for the right to sell your product there without government interference. "Marketing fees" are legal in the country in question.

   Is this a moral, legal, or ethical question? ______________

   Why? ____

   ____

   ____

   ____

   ____

   ____

Assignment Sheet 2

3. You own a small but financially troubled freight airline based in south Texas and are continually looking for clients. One day you are approached by a Brazilian businessperson who asks you to fly to Rio De Janeiro, pick up a set of large unidentified and unmarked crates, and fly them to a remote airfield in western Oklahoma. The businessperson will pay $50,000 in cash.

   Is this a moral, legal, or ethical question? ______________

   Why? ____

   ____

   ____

   ____

   ____

   ____

4. You are an importer of cast-iron goods produced in the People's Republic of China. The price you pay for these goods is reasonable, the quality is good, and you have begun to see your business grow by the profits you have made selling these products. While reading a weekly news magazine, however, you discover that the foundry where these goods are made is staffed by political prisoners jailed by the Chinese government for their public dissent over government policies. Do you continue to purchase these goods?

   Is this a moral, legal, or ethical question? ______________

   Why? ____

   ____

   ____

   ____

   ____

   ____

Assignment Sheet 2

5. As an independent variety-store owner you purchase many goods for your store from foreign brokers who sell goods on consignment from exporters in their own countries. One exporter has made you an extremely profitable offer of copies of Levi 501 jeans made by a manufacturer in Singapore. The exporter says, "Not even the Levi people could tell the difference in this product and their own!" You can buy the jeans for $4 per pair. Do you make the purchase?

Is this a moral, legal, or ethical question? ______________

Why? ____

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International Trade Regions
Unit 2

Assignment Sheet 3—Profile a Local Business That Participates in International Trade

Name ______________________________ Overall rating ____________

Evaluation criteria	**Rating**
Directions have been followed	_____
Student responses are relevant and well thought out	_____

Introduction

It is very likely several businesses in your community have important ties to international trade, either in products or raw materials they use or products they sell. To gain an insight into the economic importance of international trade in your own area, this exercise leads you through an interview with an officer of one of these firms.

Exercise

Directions

Following the instructions given by your instructor, you are to interview a businessperson in your local community to find the answers to the questions listed below.

Name of person interviewed ______________________________

Name of the business ______________________________

1. What goods/services does your company import/export?

____

____

____

____

____

Assignment Sheet 3

2. What other nations are involved in your firm's international trade dealings?

____

____

____

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____

____

3. What is the economic impact (dollars, jobs, etc.) of your firm's international trade dealings on the local economy?

____

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4. Do geographical factors (climate, natural resources, transportation routes, etc.) play a part in your business being located where it is? If so, what part do they play?

____

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Assignment Sheet 3

5. How important is international trade to the overall economic health of your business?

____

____

____

____

____

6. How long has your company been involved in international trade?

____

____

7. During that time, how many, if any, employees of the local operation have traveled outside the United States on business? If any, what nations were visited?

____

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____

____

____

8. Has your company entertained any foreign visitors as a result of your international trade dealings? If so, what nations were involved?

____

____

____

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Assignment Sheet 3

9. With what government agencies does your company deal as a result of your international business dealings?

____

____

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____

10. What advantages does your company enjoy because of dealing internationally?

____

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____

11. What disadvantages has international trade brought to your firm?

____

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____

____

____

Assignment Sheet 3

12. Has language difference caused any problems for your firm? If so, explain some of these problems and describe what was done to overcome them.

13. Have any problems arisen because of cultural differences between the employees or representatives of your firm and those with whom you are dealing in other countries? Describe these problems, if any.

14. How is your firm's international business financed? (What types of banks are involved, how is payment ensured, what terms are necessary for efficient shipment of goods, etc.?)

Assignment Sheet 3

15. What advice would you give someone who is considering entering the international trade arena?

International Trade Regions
Unit 2

Assignment Sheet 4—Profile Your State

Name ______________________ Overall rating ____________

Evaluation criteria	**Rating**
Directions have been followed	______
Student responses are relevant and well thought out	______

Introduction

Before wise planners launch a business, they first do a profile of the area in which they plan to operate. A series of questions must be answered to give them some idea of the probability (or possibility) of profitable performance.

In most cases, one of the first questions is: Who will buy my product? Another question might be: Is there any reason my product will not sell in this area? If so, why? A further concern might be: What obstacles are there to providing my product to potential customers in this area? These are basic questions that have to be answered in the process of developing a marketing plan. In fact, the more knowledge planners have of the specific area in which they wish to operate, the more likely they will succeed. In addition to knowledge of the area, planners need to know about the people and their culture, as well as the overall economic well-being and organization of the area.

For experience in profiling a region, this assignment asks you to research and examine your own state to learn as much about it as possible. Use the following questionnaire, almanacs, encyclopedias, state maps, state periodicals, information from your local chamber of commerce and the state tourism department along with other reference material in your local or school library to develop a profile of your state.

Exercise

Directions Using the various reference materials mentioned above, complete the following worksheet to compile information for your state profile.

Assignment Sheet 4

State Profile

Geography

1. What is the area in square miles of your state?

   Area ______________________________

2. What are the maximum and minimum elevations of your state?

   Maximum elevation ______________________________

   Minimum elevation ______________________________

3. Describe the topography (major geographic features) of your state's land mass (i.e. mountains, plains, forests, swamps, etc.).

   ____

   ____

   ____

   ____

   ____

4. Name your state's capital city.

   Capital city ______________________________

5. List five other major cities in your state and determine how many miles they are from the state capital.

   a. ______________________________

   b. ______________________________

   c. ______________________________

   d. ______________________________

   e. ______________________________

Assignment Sheet 4

6. Describe the climate of your state. (Does it have distinct seasons? Is it normally very dry, very wet, or more temperate with seasonal wet and dry spells? What distinct weather occurrences [heavy snows, severe thunderstorms, long periods of pleasant, sunny weather] characterize your state's climate?)

7. What are the major natural resources (minerals, rich soil, fisheries, natural beauty, etc.) of your state?

8. In what time zone does your state lie?

   Time zone ______________________

9. What are your state's major industries as determined by dollars of annual sales?

Assignment Sheet 4

10. What effect do climate and natural resources have on your state's major industries?

____

____

____

____

11. What are the major transportation routes (highways, railroads, air terminals, navigable waters, etc.) of your state?

____

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____

12. Determine your state's total population? Describe how the population is distributed. (Is it predominantly urban, rural, or mixed?)

____

____

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____

____

13. What is the population density (people per square mile area) of your state?

____

14. Is your state gaining or losing population according to the last two census reports?

____

Assignment Sheet 4

15. What raw materials do your state's major industries import and export?

____

____

____

____

____

____

16. What finished products do your state's major industries import or export?

____

____

____

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____

17. What methods of transportation (trucks, rail, canal barge, seagoing vessels, aircraft, etc.) are used to move goods from your state into international trade?

____

____

____

____

____

____

Assignment Sheet 4

Culture

1. What major events in U.S. history have affected the growth and development of your state?

2. By percentage, what ethnic groups make up your state's population and where did the majority of their ancestors live originally?

3. What languages are used by the various ethnic groups in your state?

Assignment Sheet 4

4. What holidays are observed by the various ethnic groups in your state?

5. What religions and denominations of religions are prevalent in your state?

6. Name the major comprehensive universities (public and private) in your state.

7. Name the specialized professional schools (medical, law, divinity, etc.) in your state.

Assignment Sheet 4

8. Describe your state's vocational and technical training program. (Where are vo-tech schools located and how are they organized?)

9. List private technical schools (aviation, business schools, etc.) in your state.

10. List major museums and art galleries in your state.

Economics

1. What is your state's annual budget?

Assignment Sheet 4

2. What is the per-capita income for your state?

____

3. Does your state have an income tax? Sales tax? If so, what are/is the rate(s)?

____

____

____

____

____

4. What are the major financial centers (cities) of your state?

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5. What effect do the various cultural and geographical considerations mentioned above have on your state's economy?

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Assignment Sheet 4

6. In dollar amounts, how much of your state's economy is generated by tourism, agriculture, manufacturing, mining, fishing, services? (List only those that apply.)

7. Does your state have any restrictive regulations that might impede trade, such as higher highway-use taxes for trucks, or higher diesel-fuel taxes than surrounding states? Describe these regulations, if any.

8. Name the major public-utility firms (electrical power, natural gas, telephone, etc.) in your state.

Assignment Sheet 4

9. Do any of the geographic considerations mentioned above play a part in the business of any of these utilities? If so, what part do they play?

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10. Name the state agency charged with overseeing public utilities in your state.

____

International Trade Regions
Unit 2

Assignment Sheet 5—Profile a Major International Trade Region

Name ______________________________ Overall rating ____________

Evaluation criteria	**Rating**
Directions have been followed	_____
Student responses in Part A are relevant and well thought out	_____
Student participation in Part B is relevant and well organized	_____

Introduction

As you learned in Assignment Sheet 4, the more knowledge planners have of a specific area, the more likely they will succeed in business ventures within the area. This assignment sheet asks you to research and profile a major international trade region.

Your instructor will divide your class into groups and assign each group an international trade region and each member of the group a nation within that trade region. You will first consult encyclopedias, almanacs, trade and government references, and other materials found in your school and local libraries to complete a worksheet on your assigned nation. Then, you will work with others in your trade-region group to profile the entire international trade region.

Exercise

Part A **Profile a nation within a major international trade region**

Directions Using the various reference materials listed above, complete the following worksheet to compile information for your national profile

My assigned trade region is ______________________________

My individual country is ______________________________

Assignment Sheet 5

National Profile

Geography

1. What is the area in square miles of your assigned nation?

   Area ______________________________

2. What are the maximum and minimum elevations of your assigned nation?

   Maximum elevation ______________________________

   Minimum elevation ______________________________

3. Describe the topography (major geographic features) of your assigned nation's land mass (i.e. mountains, plains, forests, swamps, etc.).

   ____

   ____

   ____

   ____

   ____

4. Name the national capital city.

   Capital city ______________________________

5. List other major cities in the nation.

   ____

   ____

   ____

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   ____

Assignment Sheet 5

6. Describe the climate of your assigned nation. (Does it have distinct seasons? Is it normally very dry, very wet, or more temperate with seasonal wet and dry spells? What distinct weather occurrences [heavy snows, severe thunderstorms, long periods of pleasant, sunny weather, etc.] characterize your assigned nation's climate?)

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7. What are the major natural resources (minerals, rich soil, fisheries, natural beauty, etc.) of your assigned nation?

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8. How many time zones cover your assigned nation?

____

9. How many hours' difference are there between your assigned nation and your home town?

____

Assignment Sheet 5

10. What are your assigned nation's major industries?

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11. What effect do climate and natural resources have on your assigned nation's major industries?

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12. What are the major transportation routes (highways, railroads, air terminals, navigable water, etc.) of your assigned nation?

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Assignment Sheet 5

13. What is your assigned nation's total population? Describe how the population is distributed. (Is it predominantly urban, rural, or mixed?)

14. What is the population density (people per square mile area) of your assigned nation?

15. What raw materials do your assigned nation's major industries import and export?

16. What finished products do your assigned nation's major industries import or export?

Assignment Sheet 5

17. What methods of transportation (trucks, rail, canal barge, seagoing vessels, aircraft, etc.) are used to move goods from your assigned nation into international trade?

Culture

1. What major events in world or regional history have affected the growth and development of your assigned nation?

2. What ethnic groups make up your assigned nation's population?

Assignment Sheet 5

3. What languages are used in your assigned nation?

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4. What holidays are observed in your assigned nation?

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5. What religions and denominations of religions are prevalent in your assigned nation?

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6. What effect does the predominant religion have on business in your assigned nation?

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Assignment Sheet 5

7. What is the relationship of the church and state in your assigned nation? (Does the church control the government, does government control the church, or are the two separate?)

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8. What is the role of men and women in business and the home in your assigned nation?

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9. What constitutes the work day (number of hours) and the work week (number of days) in your assigned nation?

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Assignment Sheet 5

10. What constitutes the school year (how many months per year is school attended) and the school week (how many and what days is school attended) in your assigned nation?

11. How are elementary and secondary education funded in your assigned nation? (Is it publicly funded? private? or, are both systems available in your nation?)

Economics

1. What is the gross national product (gross domestic product) of your assigned nation?

2. What is the per-capita income for your assigned nation?

3. What are the major financial centers (cities) of your assigned nation?

Assignment Sheet 5

4. What effect do the various cultural and geographical considerations mentioned above have on your assigned nation's economy?

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5. What is the currency of your assigned nation?

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6. To what international or regional trade organizations does your assigned nation belong?

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7. Is your assigned nation covered under the General Agreement on Tariffs and Trade (GATT)?

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Assignment Sheet 5

8. What other nations are principal trading partners of your assigned nation?

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9. List an address of one of your assigned nation's trade offices located in the United States.

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Part B **Profile a major international trade region**

Directions Work with the other members of your assigned trade-region group to produce a profile of the trade region.

The profile will consist of a written report on each nation within the international trade region and an oral class presentation on the trade region. The class presentation should include visuals (films, photos, pamphlets, slides, etc.) on the trade region, and each member of the group must participate in the presentation.

International Trade Regions
Unit 2

Assignment Sheet 6—Analyze Current Events Within the Major International Trade Regions

Name ______________________________ Overall rating ______________

Evaluation criteria	**Rating**
Directions have been followed	_____
Content is relevant and well organized	_____

Portfolio Assignment

Introduction

Each day, thousands of words are written about international trade and the agreements, arguments, and conflicts found among the countries of the various world trade regions. Weekly news magazines, daily business journals, and various newsletters detail the latest in what is going on in the world of trade. Your goal in this assignment sheet is to learn about current events in the international trade regions.

Exercise

Directions

Read and then collect articles containing information about any of the international trade regions, organizations, or agreements you have learned about in this unit. You are to collect a minimum of five current newspaper or magazine articles dealing with these topics.

From these articles, write a short report analyzing the articles you have collected. In your analysis, determine what you believe might be the source of the conflict or argument, or the basis of the agreement between the countries in the trade regions involved.

Your instructor will provide you with a list of possible resources to use in completing this assignment. And, he or she will also provide you with guidelines explaining the format of the finished report.

This assignment will be collected and retained in a portfolio that will become a record of the progress you have made in your study of international trade.

International Economics and Finance
Unit 3

Objective Sheet

Unit objective

After completing this unit, the student should be able to discuss the function of basic economic policies and financial practices and their effects on international trade. The student will demonstrate these competencies by completing the assignment sheets and by scoring a minimum of 85 percent on the written test.

Specific objectives

After completing this unit, the student should be able to

1. Define the term *economics.*
2. State definitions of types of economic systems.
3. Match basic economic terms to their correct definitions.
4. Match U.S. trade-enhancing policies to their correct definitions.
5. Define the term *finance.*
6. Match basic financial terms to their correct definitions.
7. Match to their correct definitions types of risks involved in international financial transactions.
8. Discuss the importance of international finance to international trade.
9. Match types of payment methods used in international financial transactions to their correct descriptions.
10. Arrange in order the steps in a typical international financial transaction.
11. List types of financial institutions involved in international trade.
12. Determine the economic advantages of a free-enterprise system. (Assignment Sheet 1)
13. Analyze scenarios to determine the trade barriers at work. (Assignment Sheet 2)
14. Profile a nation's economy. (Assignment Sheet 3)

Objective Sheet

15. Analyze the effects of changing exchange rates. (Assignment Sheet 4)

16. Profile a nation's financial system. (Assignment Sheet 5)

17. Analyze current events concerning issues relevant to international economics and finance. (Assignment Sheet 6)

International Economics and Finance
Unit 3

Information Sheet

1. **Definition of the term *economics***—Study of how people use their limited resources to satisfy their needs and wants

   Note: *Resources* are "the land, labor, and capital available to an economic system." *Needs* are defined as "the absolute necessities of life, such as food, clothing, and shelter." *Wants* are "desires beyond the basic necessities of life."

2. **Types of economic systems and their definitions**

   Note: An *economic system* is "any unit (individual, household, business, community, state, nation, or group of nations) concerned with choices about what is produced, how it will be produced, and for whom it will be produced."

   - **Free-enterprise system** (market-oriented system, capitalistic system)—Economy in which allocation of resources and production and consumption questions are answered by consumers in a marketplace that includes competition, profit, private property, and freedom of exchange

     Note: A vital part of the free-enterprise system is the individual or company that amasses and risks land, labor, and capital to produce a good/service for the opportunity to make a profit. These people and firms are known as *entrepreneurs* (from the French "to undertake"). Without entrepreneurs, land, labor, and capital would only be resources. Once they are organized and used in a business venture, however, they can produce goods and services, thereby creating new wealth. Entrepreneurs, then, are the human element required in the economic activity of free enterprise.

   - **Centrally planned system** (socialistic system, closed economy, command economy)—Economy in which allocation of resources and production and consumption questions are answered by a government's central planning committee that strictly controls property, profit, exchange rights, and competition

3. **Basic economic terms and their definitions**

   - **Competition**—Market condition in which there are many buyers and many sellers so that no one alone can unduly influence the price of an item

   - **Profit**—Amount included in the selling price of goods/services to pay the owners of a business for the use of their capital and organizational efforts

   - **Demand**—Quantities of goods/services all buyers would be willing to purchase at any price

Information Sheet

- **Supply**—Quantities of goods/services all sellers would be willing to place on the market at any price

- **Scarcity**—Condition in which a good/service becomes of economic value when there is more demand for that good/service than there is supply at a given price

- **Law of supply and demand**—Economic principle stating that in a competitive market a given amount of goods/services will be available at a given price

- **Comparative advantage**—Economic theory stating that all nations will have more goods if each specializes in producing those items in which it has the greatest relative efficiency and imports those items in which it has the least relative efficiency

- **Absolute advantage**—Condition occurring when one nation is capable of producing a certain good/service and another is not

  Example: Guatemala is capable of producing bananas, but France is not. Therefore, Guatemala has an absolute advantage over France in banana production.

- **Gross national product** (GNP)—Measure of the total annual production of goods/services in a nation's economy in one year

  Note: The GNP is sometimes referred to as the *gross domestic product* (GDP).

- **Balance of trade**—Comparison of the value of goods/services a country exports and the value of goods/services it imports

- **Trade deficit**—Situation existing when a country imports a higher value of goods/services than it exports

- **Trade surplus**—Situation existing when a country exports a higher value of goods/services than it imports

- **Protectionism**—Use of trade barriers to protect domestic producers

- **Trade barrier**—Domestic policy that restricts the free movement of international trade

- **Embargo**—Government restrictions on exports of goods/services

  Note: With an embargo, one nation intentionally witholds a good/service from another country, usually for political or national-defense reasons.

- **Quota**—Limit placed on the amount of imports or exports

Information Sheet

- **Tariff**—Tax levied on imports
- **Dumping**—Selling goods to another country at prices below production cost, resulting in an increased market share in that country at the expense of its domestic producers

4. **U.S. trade-enhancing policies and their definitions**

- **Most-favored nation** (MFN)—Category assigned to trading partners deemed eligible for special credit and transportation incentives to purchase U.S. goods/services
- **Export Enhancement Plan** (EEP)—Program that subsidizes the purchase and shipping of U.S. grain and agricultural commodities to nations with most-favored-nation status
- **General Agreement on Tariffs and Trade** (GATT)—On-going multilateral treaty aimed at promoting economic growth through the reduction of trade barriers among more than 175 nations around the world

  Note: The United States is a member nation of this international trade-enhancing organization.

5. **Definition of the term *finance***—Money or other liquid resources of a government, business, group, or individual; the system that includes the circulation of money, the granting of credit, the making of investments, and the provision of banking services; the science or study of the management of funds

Note: "Liquid" resources are those that can be readily converted into cash.

6. **Basic financial terms and their definitions**

- **Barter**—Trade in which one good/service is exchanged directly for another without the use of an intermediate medium of exchange such as money
- **Money**—Mechanism to store value; currency or coinage
- **Inflation**—Increase in prices (lowering of the value of money) because of an excess of currency and coinage in circulation
- **Deflation**—Decrease in prices (raising of the value of money) because of a scarcity of currency and coinage in circulation
- **Interest**—Charge for borrowed money, generally a percentage of the amount borrowed

Information Sheet

- **Exchange rate**—Comparison of the value of one nation's currency to that of another nation's currency

- **Hard currency**—Currency that most businesspeople in the world will accept as payment for goods/services

  Examples: U.S. dollar, German mark (deutschemark)

- **Soft currency**—Currency that has limited acceptance as payment for goods/services

- **Convertible currency**—Currency that can be readily exchanged for the currency of another nation without government restriction

  Note: A *hard currency* is one that is easy to *convert* to the currencies of other nations. A *soft currency* is one that is more difficult to *convert* to the currencies of other nations. The degree of convertibility of a nation's currency is often a reflection of the political stability of the nation. Generally, the currency of a stable country holds its value over time and, therefore, is easily convertible and considered *hard*. The currency of a politically unstable country may not hold its value over time and, therefore, is not easily convertible and is considered *soft*.

- **Risk**—Possibility of financial loss; the degree of probability of financial loss

7. **Types of risks involved in international financial transactions and their definitions**

Note: For purposes of discussion, the risks involved in international financial transactions are categorized into two basic groups—economic and political—although in actuality, any loss incurred during the transaction is always economic.

a. **Economic risks**

- **Commercial-credit risk**—Economic loss arising when the buyer defaults on payment

  Example: The buyer refuses to accept goods shipped by the seller, leaving the goods essentially unattended thousands of miles from the seller.

- **Foreign-exchange risk**—Economic loss arising because of fluctuations in global financial markets

  Example: A U.S. exporter requires $1 million in U.S. currency for the goods produced for a British firm. At the current exchange rate of 1.75 pounds to 1 dollar, the British firm would owe 571,428.57 British pounds. If the value of the U.S. dollar

Information Sheet

climbed against the pound to an exchange rate of 1.5 pounds to 1 dollar, the British firm would owe 666,666.67 British pounds (1,000,000 dollars divided by 1.5 pounds per dollar equals 666,666.67 pounds).

- **Transportation risks**—Economic loss resulting from the length of time it takes to transport goods, or loss resulting from physical damage to the goods during transport

  Note: The length of time it takes to transport goods becomes an economic consideration because most international transactions are financed and interest costs climb each day the goods are in transit.

  Physical damage can result from improper handling during transit, from water damage during ocean transport, improper refrigeration of perishible items, accidents, hijackings, aircraft crashes, etc.

b. **Political risks**

- **Sovereign-action risk**—Economic loss resulting from political action taken by a government

  Examples: A shipment is lost when a nation declares war and confiscates all goods entering the country; a nation's parliament sets a high tariff on certain goods from a given nation

- **Documentary risk**—Economic loss resulting from the seizure of goods by officials of a foreign government because of improper, incomplete, or inaccurate paperwork (documentation)

8. Importance of international finance to international trade

Note: The efficient exchange of goods/services for a predetermined amount of currency is the key to successful international trade. Because many legal jurisdictions are crossed during the process of conducting international trade, and because of the differences in cultures, languages, currencies, etc., a systematic method of doing business across national boundaries has evolved using a number of accepted payment methods, currency exchanges, and international financial institutions. Without this system of international finance, international trade would be an extremely risky venture for both buyers and sellers.

- Provides a systematic method of collection to reduce risk
- Provides a standard method of currency exchange to assure buyers and sellers a common reference for exchange rates

Information Sheet

- Provides financial resources for international trade through banking institutions, government agencies, and investment agencies

9. **Types of payment methods used in international financial transactions and their descriptions**

Note: Over the years, a number of payment methods have evolved for dealing with trade across national borders. The selection of a specific method depends a great deal upon the exporter's (seller's) or importer's (buyer's) financial situation and ability to absorb risk.

- **Advance payment**—Importer (buyer) pays exporter (seller) before goods are shipped

  Note: An advance payment is the most advantageous method of payment for the exporter because there is no risk of nonpayment; the money is in the exporter's hand before the goods are shipped. Such an arrangement places extreme risk on the importer because of possible lengthy delays in shipping, the loss of the use of money that could have been used to purchase yet-to-be-delivered goods, and the possibility the goods would not be shipped by an unscrupulous exporter. Therefore, because of a high degree of competition for export business, advance payment is rarely requested by exporters.

- **Open account**—Importer (buyer) pays for goods when they are received

  Note: In an open-account arrangement, the risk is assumed by the exporter. If the importer already has the goods and the exporter does not receive payment, the exporter's only recourse is to sue the importer in the nation in which he or she resides—sometimes a very costly and inefficient process.

- **Consignment**—Importer (buyer) pays for goods when they are sold

  Note: In a consignment sale, the risk assumed by the exporter is even greater than that for an open-account arrangement. Lengthy delays between shipment and eventual second-party sales in a market abroad are very expensive for the exporter, who has had to pay for the production of the product. Further, if the goods are not sold, the exporter may have to reclaim title of the goods in a foreign land, in a foreign court—again, a very lengthy and expensive process.

- **Documentary collection**—For surface transport, importer (buyer) signs written order (bill of exchange or check) instructing a bank or clearinghouse to pay the exporter (seller) before goods will come into the importer's (buyer's) country

  Note: With a documentary draft for surface transport, the documents needed to move goods through customs, ensure specified transportation requirements, and transfer title to the importer are sent to a bank in the importer's country. The

Information Sheet

draft is presented to the importer, along with the accompanying documents, when the importer pays the exporter. In this type of documentary collection, the relative risk to the exporter is moderate to high (the importer can refuse to sign to pay unless all the conditions are met).

For air-freight transport, the possession of goods can occur before payment and transfer of title. Also, the importer does not have to sign anything to obtain the goods, and the bank has no obligation to pay just because the goods are on the ground in the importer's country.

- **Letter of credit**—Importer's (buyer's) bank issues letter guaranteeing payment when exporter (seller) has submitted to the bank a list of specified documents and a credit draft (check)

  Note: The use of a letter of credit is very similar to the documentary collection in that the exporter is required to submit specified documents to the issuing bank. Unlike the documentary collection, however, if all documents are in order and all specifications in the letter of credit have been met, the exporter is assured payment.

  The letter of credit is the most frequently used method of payment in international trade because it offers the exporter the most risk protection of any method other than advance payment. Safety comes from the fact that payment of obligations are borne by the importer's bank and not the importer.

10. **Steps in a typical international financial transaction** (see Figure 1)

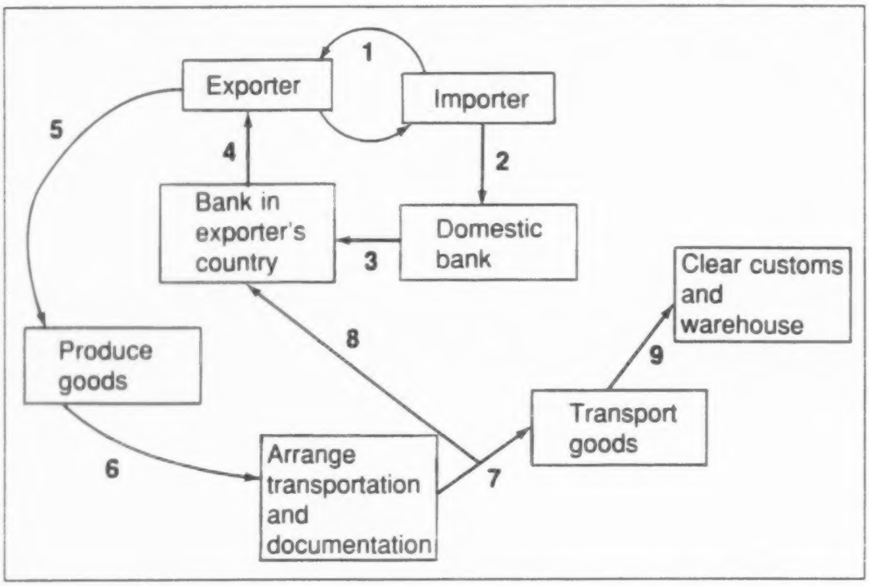
Note: International banking and finance are as important as manufacturing and transportation in the scheme of international trade. Figure 1 shows a schematic of the steps in a typical international financial transaction from sale to delivery of goods.

- **Step 1**—Sale is negotiated by importer (buyer) and exporter(seller).
- **Step 2**—Importer (buyer) arranges financing through domestic bank.
- **Step 3**—Importer's (buyer's) bank sends letter of credit to exporter's (seller's) bank.
- **Step 4**—Exporter's (seller's) bank notifies the exporter that the letter of credit has been received.
- **Step 5**—Exporter (seller) produces goods.
- **Step 6**—Exporter (seller) arranges transportation and documentation.
- **Step 7**—Exporter (seller) transports goods to importer (buyer).

Information Sheet

- **Step 8**—Exporter (seller) presents documents to bank for payment.
- **Step 9**—Importer (buyer) clears goods through customs and arranges warehousing.

Figure 1: Steps in a typical international financial transaction


1
Exporter
Importer
5
4
2
Bank in exporter's country
Domestic bank
3
Clear customs and warehouse
8
9
Produce goods
Transport goods
6
Arrange transportation and documentation
7

11. **Types of financial institutions involved in international trade**

- **Private**

Examples: Investment agencies, banking institutions

- **Government**

Examples: U.S. Export/Import Bank (EXIMBANK), the U.S. Small Business Administration, U.S. Department of Agriculture programs, Export Import Bank of India, Japan's Ministry of International Trade and Industry (MITI), the United Kingdom's Export Credit Guarantee Department (ECGD), Norway's Eksportfinans

- **Government-assisted**

Examples: The Asian Development Bank; the European Investment Bank; the U.S. Private Export Funding Corporation (PEFCO)

International Economics and Finance
Unit 3

Student Supplement 1—Basic Economics—A Matter of Choice

A simple definition of *economics* might be "the study of how people use their limited resources to satisfy their **needs** and **wants**."

How long can you go without water? Most of us find that going more than a few hours without drinking something convinces us liquid is a real **need**. But, how long can you survive without going to the cinema? Physically, you do not have to see a movie to survive, so going to the cinema is a **want**.

Individuals, families, cities, states, and nations all have to determine what their needs and wants are, and make choices to satisfy those needs based on what they can afford.

We live in a world of limited **resources**—the things we use to make or get the things we need and want. *Resources* usually are defined as "land, labor, and capital."

Land involves the soil on which food crops are grown, plants, animals, forests, water, minerals, a favorable climate, and energy sources such as petroleum, hydro-electric or geothermal power, coal, or nuclear capacity. Land is the natural wealth found in a country.

Labor includes the human workforce needed to produce goods/services.

Capital represents the machines, buildings, tools, communication networks and power-distribution systems the workforce uses to produce goods/services. Capital is made up of things made by people.

Some nations have more land resources than others, but may have fewer trained workers to make things from the products found in the land. Also, some nations may have the workers and the natural resources, but lack the capital or tools to take advantage of the other two resources. So, limited resources are a fact of life throughout the world.

For instance, if we mine iron and use it to make steel for automobiles in the United States, that same steel cannot be made into refrigerators. Or, if the oil imported from the Middle East is made into gasoline, it cannot be made into plastics. Choices such as this are known as *substitution*, and these choices are made by consumers' willingness to pay for certain products over others—based on their needs and wants.

In your case, substitution might involve deciding to rent a video-taped movie for $2.50, pop your own microwave popcorn, and drink a 50-cent can of soda at home rather than deciding to spend $7 to attend the theater, $2 for a small Coke, and $3 for popcorn.

Economic activity can be divided into three broad categories:

1. Taking things from the earth (agriculture, mining, fishing, etc.)
2. Making things from raw materials (manufacturing)

Student Supplement 1

3. Providing services (doctors, lawyers, writers, singers, cooks, teachers, bankers, etc.)

The overall value of these three economic activities in a nation in any given year is known as the **gross national product (gross domestic product)**.

As we mentioned, some nations have more of one resource than others and, therefore, may have somewhat of an advantage in production of some goods/services over other nations. This is called a **comparative advantage**.

Comparative advantage is a theory that states all nations will have more goods if they specialize in producing those items in which they have the greatest relative efficiency and import those items in which they have the least relative efficiency.

For instance, the United States—because of abundant arable land, a cooperating climate, and mechanized agriculture—can produce wheat for about $4 per bushel. The United States does not possess adequate petroleum supplies, however, to fully meet its industrial and transportation needs. Recovering the existing reserves in U.S. oil fields is much more expensive than purchasing easily obtained petroleum from the Middle East. Saudi Arabia, on the other hand—because of a lack of rainfall and its desert climate—must irrigate its sandy countryside from deep wells to produce wheat for about $12 per bushel. Saudi Arabia possesses enough easily obtainable petroleum reserves to more than meet its own needs as well as sell abundant supplies to the U.S. at well below the cost of the more-difficult-to-recover oil in U.S. fields.

In this case, the U.S. has a comparative advantage in grain production, while Saudi Arabia enjoys a comparative advantage in petroleum production. International trade in grain and crude oil works to the benefit of both nation's economies.

Consider pineapple production in the state of Hawaii. The tropical climate and soils are ideal for pineapple production throughout the Hawaiian Islands. In Japan, however, no pineapples are grown because of seasonal winter weather. In this case, the state of Hawaii has an **absolute advantage** over Japan in pineapple production.

So, in our examples, the U.S. purchases oil from Saudi Arabia, and the Saudis purchase grain from the U.S. The Japanese buy pineapples from the state of Hawaii, and Hawaiians drive a lot of Japanese cars—because Hawaiians have no automobile production of their own. These are basic examples of why international trade enriches nations who trade outside their borders.

As nations trade goods and services with one another, economists and accountants maintain records of total values traded in order to keep track of the overall **balance of trade** between nations. When nations exchange equal values of goods and services with one another, they enjoy a balance of trade. If Nation A sells more dollars worth of goods to Nation B than Nation B sells to A, Nation A is said to have a **trade surplus** with Nation B. Nation B, then, would have a **trade deficit** with Nation A.

Student Supplement 1

A good example of this situation is the balance of trade between the U.S. and Japan since the 1970s. During the past 20 years, the U.S. has purchased many more dollars worth of goods/services from Japan each year than Japan has purchased from the U.S. So, the U.S. finds itself with a trade deficit to Japan. And, Japan enjoys a trade surplus with the U.S.

Now, let us bring these economic principles right to our classroom.

Have you ever considered who determines the price of a candy bar? Why does a soft drink at McDonald's cost what it does? Why do designer jeans cost more than straight-leg, button-up-the-front Levis? Why does a haircut at a style shop cost more than a haircut at an old-fashioned barbershop?

The answer lies with consumers—all of us who pay the prices asked for these goods/services. If people had refused to pay more than 10 cents or 25 cents for a Snickers bar many years ago, the price would not have climbed to today's levels. If you and everyone else did not pay \$.59, \$.69, or \$.79 for a Coke at McDonald's, you can bet Ronald would not be selling them. If Guess? and Chic jeans did not sell at \$50 to \$60 per pair, they would not cost more than conventional jeans at J.C. Penney. And, if someone were not willing to pay more for a style cut, haircuts would cost roughly the same as they do in barbershops.

Every time you spend money, you are making economic choices and "voting" for the production of whatever goods/services you purchase. Your exchange of money for that product tells the producer you feel the product is important and are willing to pay the going price. Also, unless you are extremely rich, when you make the choice to buy goods/services, you are also deciding not to buy something else—you have only so much money (limited resources) and your choices have determined what you will buy.

So, next time you go to the candy machine and see that a package of M&Ms or a Snickers bar has gone up a dime since you last purchased one, determine if you are willing to pay the extra ten cents. If not, and if everyone else feels the same, you can bet it will not take long for the manufacturer to find a way—either through more efficient production or lower profits—to drop the price back to a point where people will again buy the products.

If the manufacturer cannot find a way to produce M&Ms or Snickers bars more efficiently—thus cutting the cost of production, allowing a lower retail price—and if the manufacturer cannot or will not cut profits on those products, there is only one choice left—to go out of business.

Whether the choices involve your determining if you will buy a soft drink or a candy bar, or your family's determining purchases it must make, a manufacturer's shopping for raw materials, or your local, state, or federal government's determining what expenditures to make, the same principle applies: a limited amount of resources (money in this case) must be allocated among an unlimited set of alternative uses. Choices must be made.

International Economics and Finance
Unit 3

Student Supplement 2—Types of Economic Systems

Economists tell us the "type" of economic system is determined by who is responsible for answering five basic economic questions.

1. What is to be produced?
2. How is it to be produced?
3. For whom is it to be produced?
4. When is it to be produced?
5. By whom will it be produced?

In looking at the United States' economy and its economic environment, the student determines whether he or she wants chewing gum or Coke. A farmer decides whether to plant wheat or bermudagrass. Parents decide if they will purchase a new car or put money into their children's education fund. Companies determine how much they can pay for raw materials based on how much they can charge for the finished goods. City officials decide whether to hire more police officers or repair the streets. State governments determine whether to build more prisons or spend more on education. The national government determines whether to buy more advanced fighter planes or fund highway construction and low-income housing for the poor. In all cases, economic systems are making choices on how to use limited resources for a seemingly unending set of alternatives—all of which may be valid needs. The choices must be made, however, because all desires cannot be fulfilled with limited resources.

In this **free-enterprise economy** (sometimes known as a *market-oriented* or *capitalistic economy*), the dollars spent by consumers determine what is produced; how, by whom, or for whom; and when and where it is produced. Also, in this system, consumers and producers answer the basic economic questions. They do this through **competition**, **profit**, **private property**, and **freedom of exchange**.

Competition is a key to this process. Producers compete with one another to make their goods better and less expensive than their competitors'. Why? For profit.

Profit is why people work—to gain money with which to purchase goods/services. Profit also allows improvements in efficiency, research, and development of new products and creates jobs for additional workers. Profit also signals producers as to what needs to be produced and what is not in demand. If something is not in demand, there will be no profit. If there is no profit, decisions must be made to reallocate labor and capital into a profitable venture, so an unprofitable product is usually dropped in favor of one that will produce a profit.

Student Supplement 2

Private property also is a key to making the free market work. If private property were not allowed and the government owned everything, people would have no reason to work for profit to purchase things.

And, related to private property and profit is freedom of exchange, which allows producers to set whatever price they determine on a product, and makes consumers free to decide if they will pay that price. If prices are too high, consumers do not buy; they substitute for the product in question, or they buy similar goods at a lower price from a competitor. In this way, competition helps set the market price of any given product.

At the opposite end of the economic spectrum, however, is the **centrally planned economy** (sometimes known as a *socialistic* or *command economy*). In this system, the government, through a central planning committee, determines the answers to the five economic questions and, in addition, owns most property and capital. Production of goods is based on a government list of needs—regardless of the wants and needs of consumers.

For instance, in some centrally planned economies, only a certain quantity of black lace-up shoes were made in state factories for the entire nation's annual shoe needs. No consideration was given to the desires of the population to own shoes of a different color, or to own more than only lace-up shoes. Another example might be the thousands of apartments built in Moscow during the communist rule of the former Soviet Union. Each apartment was exactly alike, and consumers waited years after getting on a list for an apartment of their own—because only a certain number of apartments could be built each year given the decrees of the central planning committee. In this case, apartments for the population were secondary to the government's desires to channel resources into building military bases and weaponry.

Around the world, there are literally hundreds of national economic systems. Although numerous systems exist, all can be classified broadly as either free-enterprise or centrally planned economies.

For years, the world's two military superpowers represented the two systems—with the United States generally accepted to be a free-enterprise system and the Union of Soviet Socialist Republics (U.S.S.R.) serving as an example of a centrally planned system. Although the U.S. and the former Soviet Union were examples of opposite ends of the economic spectrum, neither was "truly" free enterprise or "purely" centrally planned.

For instance, in the United States the marketplace deals with thousands of government regulations, a graduated-income-tax system, and various social programs designed to "equalize" or more evenly distribute wealth among its citizens. Even U.S. public schools are financed largely by taxes on all people—whether or not they have children enrolled in the schools. None of these situations would exist in a "purely" free-enterprise system.

On the other hand, in the final years of the Soviet Union, the government had begun allowing private enterprise on small plots outside the government-controlled collective farms. There, production thrived. Just across the fence on "government land," crops were not planted because of machinery breakdowns, or failed to be harvested and rotted because of a lack of concern on the part of workers who had no stake in the fruits of their labors. In addition, as part of a move toward a more market-oriented economy in the early 1990s, the U.S.S.R. began to cut wages to inefficient workers, offer bonuses to productive workers, and introduce profit-sharing plans for productive managers—all economic incentives totally contrary to the socialist ideal emphasized by communism's early architect, Karl Marx. Currently, the only command economies remaining after the breakup of the U.S.S.R. and its global influence are in Cuba, North Korea, and Vietnam. The People's Republic of China is still communist in its politics, but is making cautious moves toward a more market-oriented economy under the strong control of the central planners.

Today, the republics that once made up the U.S.S.R. are undergoing great internal turmoil to achieve the goal of a market-oriented economy that allows the marketplace to determine the allocation of resources, the possibility of profit, and the risk of failure.

Despite the "gray areas" one has to accept in categorizing economic systems, there are several basic principles governing free-enterprise and centrally planned systems. Their differences merit examination.

Product production

In a free-enterprise system, individual consumer choices of what to buy and what prices to pay determine what products producers will make. Consumers literally "vote" for their choices with their dollars, or currency.

In a centrally planned system, the government, through a central planning committee, determines how resources will be allocated, what products will be made, and what prices will be charged. If the central committee decides only black lace-up shoes will be produced, only black lace-up shoes are available to consumers in state stores—regardless of what consumer preferences might be.

Property ownership

In a free-enterprise system, private citizens or companies own and operate farms, factories, airlines, railroads, hospitals, and other business enterprises.

In a centrally planned system, the government owns and operates farms, factories, airlines, railroads, hospitals, and other business enterprises.

Labor relations

In a free-enterprise system, individual owners of businesses and their workers agree between themselves on wage rates, working hours, and the location of employment. (Many times, this agreement is accomplished through labor-union negotiations, or if workers cannot agree to work for a given wage, they have the choice to seek employment elsewhere, strike in an effort to force the employer to pay the wages they seek, or retrain for other employment.)

Student Supplement 2

In a centrally planned system, the government, through a central planning committee, is responsible for training workers and determining their wages, hours of work, and location of employment. (In many cases, the job for which an individual is trained is the only job that person will ever hold in a socialist economic system.) In this system, strikes are not allowed as a bargaining tool to settle disagreements between management and labor.

Profit incentive

In a free-enterprise system, the prospects of higher profits for owners and higher pay for workers provide incentives for them to increase efficiency, the quality of products, and the variety of products produced.

In a centrally planned system, the "general good" of all the people is the incentive to produce efficiently.

Product and resource allocation

In a free-enterprise system, each person can make purchase choices according to his or her income and financial resources.

In a centrally planned system, the government seeks to allot available goods and services equally to everyone, regardless of consumer wishes.

Cases can be made for both systems, and because of that, both systems usually exist side-by-side in some form or another in all economic systems. Historically, however, the standards of living for individuals in more market-oriented, free-enterprise systems have been much higher than for those persons in more centrally planned, socialistic economies.

International Economics and Finance
Unit 3

Student Supplement 3—Tools of International Economic Policy

If all things worked according to ideal economic theory, countries would produce only the goods/services for which they have a **comparative advantage** for international sales. (Comparative advantage is an economic theory that states all nations will have more goods if they specialize in producing those items in which they have the greatest relative efficiency and import those things in which they have the least relative efficiency.) The remainder of their needs would be purchased from nations that supply those goods/services at the lowest price. But, as with any idealistic theory, there are reasons why it does not always work that way.

Countries limit and encourage trade for a variety of reasons. Politics, culture, religious values, and a number of other similar institutions cause nations to erect **trade barriers**.

In some cases, trade is discouraged to protect domestic jobs. This is known as **protectionism**.

For instance, Japanese farmers are the only producers allowed to sell rice in Japan. This is accomplished by placing high **tariffs** on imported rice and erecting various other bureaucratic barriers to the international rice supply. Japanese rice—a cultural institution in Japan because of its long-standing place in the Japanese diet—and its producers are protected to enable Japan to have a dependable supply of homegrown rice and a stable number of domestic producers to produce it. In reality, rice produced in Arkansas can be delivered to Japan for roughly one-fourth the price Japanese consumers pay for their own rice. This situation represents a trade barrier built on tariffs to protect domestic food production.

In the U.S., for instance, the major steel makers have long been at a disadvantage in producing low-cost, high-quality steel when compared with foreign producers. Yet, the U.S. maintains a certain tariff on raw steel and finished steel products. This policy effectively raises the price of steel for U.S. consumers, but it helps protect the domestic steel industry. Why? Steel is a major component of military hardware, and in case of war, domestic producers would be needed to manufacture this hardware.

Both the U.S. and Japan have tariffs on certain food goods, and the European Community (EC) has maintained high tariffs for years to protect its farmers. Why? Because it has been only 50 years since German and American tanks and armies destroyed Europe's food-producing industry during World War II. The people of Europe want to protect their ability to produce food domestically.

Tariffs are just one of several tools used in economic policy to accomplish a number of social, economic, and military ends. **Import quotas** serve the same purpose—to protect domestic jobs and industries. In the late 1980s and early 1990s, because of increasing trade tensions between the two nations, Japan voluntarily adopted a quota on the number of automobiles it ships to U.S. dealers. That move was made by Japanese politicians to ward off possible import quotas the U.S. Congress was considering because of the U.S.'s growing **trade deficit** in its **balance of trade** with Japan. More than likely, the voluntary quotas are much more liberal than what the Congressional import quotas would have been. In effect, the lack of the extra Japanese autos probably has helped U.S. automakers. Another example would be EC charges that U.S. beef is not sanitary and contains hormones not allowed in the EC. This actually is an import ban that many think was made because the EC was oversupplied with its own beef and slowing U.S. imports would help EC producers sell their highly subsidized homegrown product. The argument was still being considered as late as 1993.

Another trade barrier—although much more severe than quotas or tariffs—is the **embargo**, a complete ban on exports of one kind or another to another country. One of the best examples of an embargo is the 1973 Arab Oil Embargo against the United States and some U.S. allies. In this instance, the oil cartel, OPEC, halted its massive exports of oil to the U.S. because of the U.S.'s support of Israel during the 1973 Yom Kippur War. The interruption of oil supplies from the Middle East caused petroleum prices worldwide to skyrocket and caused a major shock to the U.S. economy, which, in turn, triggered worldwide **recession** and high **interest** rates.

Another example was the Grain Embargo of 1980 imposed by President Jimmy Carter on the Soviet Union after its invasion of Afghanistan. Until that time, the U.S.S.R. was buying massive quantities of wheat and corn from the U.S. With the embargo, U.S. farmers could no longer supply grain to the communist nation—but other suppliers in Canada, Brazil, and the European Community could increase their grain shipments to the Soviet Union. The result of the embargo was that the U.S. lost much of its market share in global grain trade.

Both of these examples involve political decisions to alter the marketplace, and both caused worldwide consequences.

Although not a barrier to trade, another tool of international economics is **dumping**—the practice of selling large quantities of goods in a foreign market at prices below the cost of production in order to gain the market share in that nation, or to damage that nation's domestic producers.

In 1992, U.S. automakers charged that Japanese automakers were dumping minivans in the U.S. to gain market share. The Japanese denied the charge. Earlier, U.S. hog producers were convinced their Canadian counterparts were dumping hogs in the U.S., hurting the U.S. producers' market. The charge was that because Canadian producers received transportation subsidies for shipping their hogs, they had an unfair trade advantage over U.S. producers who had to truck their stock to market at their own expense. Negotiators finally ruled that the Canadian practice was hurting U.S. producers, but only after the U.S. put a countervailing tariff on Canadian hogs.

Not all government policy retards trade, however. One trade-enhancement policy is the so-called **most-favored-nation** (MFN) status granted by the U.S. to certain trading partners. Several hundred countries are currently under the MFN program—which allows cut-rate loans for purchases and transportation of U.S. commodities. In the early 1990s, China was seeking to remain an MFN nation, but because of alleged human-rights violations during the Chinese government's crackdown on pro-democracy groups in 1989, the U.S. Congress and President Bush were at odds over whether to continue the status. Again, removing the MFN status

Student Supplement 3

would mean that fewer U.S. goods could be sold to China, and that other nations could step in to take the U.S. position as supplier of those goods. MFN was granted again, but arguments against it continue today. Regardless of how you feel about either position on the matter, this is a clear example of how moral values and politics affect the marketplace.

Another example of trade-enhancing policy would be the U.S.'s **Export Enhancement Plan** (EEP), a program that subsidizes the purchase and transport of U.S. grain and agricultural commodities to MFN nations. In this plan, direct rebates or additional commodities are included in the original order for grain and the U.S. taxpayer picks up the tab for the difference in the market price and the price the importing nation pays for the grain. Also, shipping costs for EEP grain are subsidized by the U.S. government. Still, the plan is selling U.S. grain to foreign buyers, which maintains a more stable price for farmers than if the foreign markets were not consuming the grain. Ultimately, the subsidies represent the U.S. taxpayers' commitment to protecting their own domestic food-producing industry by partially paying for the farmers' entrance into the foreign marketplace.

Finally, in an effort to ease trade barriers worldwide, many nations are involved in the **General Agreement on Tariffs and Trade** (GATT)—an international forum on world trade. A number of trade barriers have been reduced, streamlined, and eliminated through GATT agreements, but much still remains to be done concerning agricultural subsidies worldwide, and on the protection of intellectual properties, such as written works, computer software, and various audio and video recordings. Overall, more than 150 nations are involved in GATT negotiations.

For more information on any of these trade barriers and enhancements, or on the international effort at easing trade barriers, read the business section of any large newspaper, or weekly news magazine, or any copy of the *Wall Street Journal*. International economics is news, and it is covered every day by these publications and by cable news programs such as CNN's *Moneyline*.

International Economics and Finance
Unit 3

Student Supplement 4—Basic Finance—Money, Inflation, and Exchange Rates

When you walk down the street and see a $20 bill blowing in the breeze across the sidewalk, something urgent happens inside—you immediately want to grab that twenty, and look to see if anyone else is watching or trying to catch the runaway, too. Right? Maybe that has not happened to you, but the reaction portrayed probably is quite accurate to what you would do and feel. Why? A $20 bill is only a piece of paper and ink, and paper and ink are not worth much—maybe a few cents at most. But, the value is in what that $20 bill stands for—the exchange for $20 worth of goods/services.

The same is even truer of the lowly penny. A penny is actually worth slightly less than its cost of manufacture. The copper and aluminum in the coin—and the labor and processing it takes to make a penny—cost more than one cent! But, because of our monetary system and the need for change making, the penny remains in our inventory of coinage.

Money

What is **money**, and where did it start?

Economists tell us money serves the following functions in our society.

1. It is a medium of exchange—a means of compensating a seller for goods/services.
2. It is a measure of value—a means of comparing the value of different products by examining their prices. For instance, if a pair of shoes costs $50 and a belt costs $25, one could figure the belt was worth half of the cost of the pair of shoes.
3. It is a store of value—a means of accumulating purchasing power for use at a later time. If there were no **inflation**, a dollar stashed in a cookie jar two years ago would purchase today exactly what it would when it was hidden away.

Today's money is made up of **currency** (printed paper certificates) and **coinage** (metallic discs) stamped to represent a given value.

The tribes of early native Americans used forms of currency long before Europeans stumbled onto the scene in the late 1400s. Originally, native Americans traded furs, blankets, and beads of polished shells with one another for the goods/services they needed in a system called **barter**. Then, as their commerce developed, they began to assign values to their commodities. Four mink skins might be worth a woven blanket. Or, two woven blankets might equal the value of a beaver pelt. This was the beginning of a system of currency on this continent.

As European traders and trappers came to North America, they, too, traded pelts, blankets, etc., as mediums of exchange for goods in the frontier society. But, the process goes even further back—even before the Romans and Greeks—2000 to 3000 years ago. Ancient coins have been found from some of the earliest civilizations of North Africa and the Middle East.

Student Supplement 4

Money and banking as we know it began after the fall of the Roman Empire in 476 AD. As what had been the Roman Empire began to crumble into feudal states across Europe, people began to use gold (a scarce, therefore valuable material) to pay for the things they needed. This meant there had to be someplace to store the gold to keep it safe.

The only people who had safes were goldsmiths, who needed safes in which to keep gold and gems for the jewelry they made. So, people would ask goldsmiths to keep their gold for them—for a fee.

The gold would sit in the safe for long periods of time. So, when someone the goldsmith knew and trusted needed a loan, the goldsmith would lend some of the gold, and the borrower would agree to pay back the original gold plus an additional fee called ***interest***.

Since only a few of the people who had entrusted their gold to the goldsmith were likely to ask for their property back on any given day, the goldsmith could have a lot of gold out on loan—generating interest—and still meet daily requirements. And, to this day, banks operate in the same way. Your savings-account money on deposit at the bank is actually out working in your community. The banker must keep a minimum amount of funds on deposit to meet the likelihood that you will ask for the money in your account, but in general, most of the funds on deposit at the bank are sent directly back into the community for auto loans, home loans, agricultural and business loans, and other financial services.

As the practice of storing gold with goldsmiths grew, many goldsmiths would give people receipts for their gold, and these receipts became valuable for trading, because they stood for a certain amount of gold stored at the goldsmith's place of business. To make it easier for customers, the goldsmith would issue receipts—each for a fraction of the total amount of gold on deposit—and this is how printed script currency or paper money became popular.

Soon, goldsmiths actually became bankers, and each was issuing a different set of receipts--which became quite confusing. As the practice was refined through the Middle Ages and on into our own colonial and modern periods, governments began regulating the banking industry, and took control of the printing of money and the keeping of gold on deposit. In the U.S., it was not until the 1970s that citizens could again legally own gold other than gold in jewelry or gold for industrial use. Before then, only the U.S. government could hold bars of gold, which it stored in huge underground vaults in Ft. Knox, Kentucky. At that time, U.S. currency was based on the value of the gold in Ft. Knox.

Today, however, the paper money we use is *legal tender* or *fiat money*—that is, it has value because the government says it has value. Paper money in the U.S. is no longer a certificate to redeem gold.

Inflation

Our money has value, however, because merchants will exchange goods/services for it. And, the amount it is worth is tied to the amount of money in circulation.

Student Supplement 4

Economists note that, because of supply and demand, when too many dollars are chasing a given number of goods, prices rise (**inflation**). And, when too few dollars are chasing a given number of goods, prices fall (**deflation**).

With the federal government's Federal Reserve system (actually a huge bank for bankers) controlling the amount of money in circulation, the members of the Federal Reserve Board (known as the FED) try to maintain a stable economy in the U.S.

Suppose you have an allowance of $20. With that money, you can buy one audio cassette tape for $9, a movie ticket for $7, and a hamburger, drink, and order of fries for $4. Then, suppose inflation occurs (a condition in which all prices in the nation's economy rise, reducing the value of a dollar) and that tape now costs $11, the movie ticket $8.50, and the fast-food meal $5.50. Your allowance will still buy the tape and get you into the movie, but you will have to forego eating afterward. This is how inflation affects us all.

Inflation has many causes. It can result if consumers are willing and able to buy more goods/services than business can produce (too many dollars chasing a given number of products), or it can occur if employers give their workers a pay increase and no increase in productivity accompanies that raise (again, too many dollars chasing a given number of products).

A government can try to control inflation by increasing taxes (taking some of the dollars out of the system), or by reducing the number of dollars in the system by printing fewer of them in a given year; or the government itself can begin spending less (thus, reducing the dollars in circulation); or the government can set wage and price controls. All of these methods will control inflation—but they also can seriously alter the marketplace and send the economy into a recession, a condition in which many factories close, jobs are lost, and economic activity begins to shrink.

A classic example of what can happen with wage and price controls occurred during the early 1970s, when the nation was coping with inflation caused by tremendous spending on the Vietnam War and nearly ten years of intensive social spending at home during the 1960s. Wage and price controls set limits on how much could be charged for steel products. Baling wire, which farmers and ranchers use to tie bales of hay in neat squares, was a product particularly affected by the wage and price controls. As price controls were lifted, they were not all removed at once, leaving some (those for baling wire) in place. Costs to produce baling wire continued to climb despite government controls on prices wire manufacturers could charge their customers. Soon, no baling wire was being produced. Production shifted to fence posts and other steel goods that could be produced profitably. By the time baling wire was again plentiful, a new industry with new technology had taken its place. Big Round Balers, which use twine to tie hay bales, began replacing the more traditional 30-year-old hay-baler design. In this case, consumers—the farmers and ranchers—and the hay-baling equipment manufacturers had substituted new technology to satisfy their needs when baling wire disappeared.

Student Supplement 4

In nearly all cases, government price controls ultimately have caused more problems than they were meant to solve. That is why it has been rare that such measures have been taken in the U.S. since the 1970s.

As you can see, inflation reduces the value of the dollar on domestic products. Now, what do you think an inflated dollar does to U.S. trade with other nations?

Exchange rates

One of the most confusing components of international trade to many is the constantly fluctuating value of individual nations' currencies. This fluctuation, based on many things, such as inflation, import/export activity, political climate, a nation's overall debt to other nations, etc., can cause tremendous problems in the orderly flow of goods/services between nations.

For instance, because currency rates change minute by minute as traders across the world's financial markets buy and sell in U.S. dollars, French francs, British pounds, Italian lira, Japanese yen, and so forth—allowing the marketplace to determine the value of each—transactions across borders are vulnerable to changes in money values.

The following is a good example. A French buyer has agreed to pay 500,000 French francs for a shipment of goods based on the franc's worth of 20 cents in U.S. dollars. For that transaction, the U.S. seller would expect to receive $100,000. If, however, during the transaction, the franc's value dropped to only 19 cents in U.S. dollars, payment under the new rate would be only $95,000—a $5000 loss to the U.S. seller. On the other hand, if the value of the franc climbed, it would amount to extra profits for the U.S. seller.

To determine the relative value of various currencies and their exchange rates, check a number of daily business publications that print the ending price of the day, or *settlement price*, of the world's major currencies. This daily feature in many newspaper business sections includes the exchange-rate data as a service to readers involved in international trade or speculation. The exchange-rate data quoted in these publications report the wholesale exchange rates for transactions exceeding $1,000,000.

Recently, the following exchange rates were in effect, based on the value of one U.S. dollar.

One U.S. dollar equaled:	1.9160	British pounds
	1.3155	Swiss francs (SFrancs)
	1.6705	Dutch guilders
	126.7	Japanese yen
	1123.8	Italian lira
	1.4810	German marks
	5.0020	French francs
	1.1901	Canadian dollars

Student Supplement 4

In most business publications, the exchange-rate comparison will be listed something like is shown in Table 1 below.

Table 1: Sample exchange rates

Country	Currency					
	Dollar	Pound	SFranc	Guilder	Yen	Mark
Germany	1.4810	2.8376	1.1258	.88656	.01169	
Japan	126.70	242.76	96.313	75.846		85.550
Neth.	1.6705	3.2007	1.2699		.01318	1.1280
Switz.	1.3155	2.5205		.78749	.01038	.88825
U.K.	.52192		.39675	.31243	.00412	.35241
U.S.		1.9160	.76017	.59862	.00789	.67522

In most cases, exchange rates are figured according to the value of the U.S. dollar, although in certain business publications, the dollar is figured as a percentage of the other various currencies. In either case, however, by watching these figures over a period of several days, you can see that the relationship of the world's currencies is continually changing.

Some of the influences on the worth of a nation's money might include the amount of interest paid on domestic savings, the inflation rate, the nation's political and military strength within the world, the nation's overall political stability, etc.

For instance, over the years, the U.S. economy has been seen as a safe place for investment in times of world troubles. When turmoil breaks out in the world, global investment dollars flow into U.S. treasury bills and other investments backed by the U.S. government. This happens because the U.S. is seen as a relatively stable place with its investments backed by the U.S. taxpayer. At other times, however, when the U.S. dollar was being devalued by inflation at home, investments in the U.S. have not seemed as profitable to foreign investors, so their funds went elsewhere. Through the late 1980s and early 1990s, foreign investment poured into the U.S. because of interest rates paid by the U.S. government to finance its growing national debt. In this case, such investment, while temporarily satisfying, can disappear quite rapidly if it appears that the nation will not address its debt problems and take a more positive approach to balancing its budget and ordering its financial house. Such a move could drain federal coffers quickly, bringing on severe financial problems within the U.S. economy. At that time, the U.S. dollar would most definitely lose value against other world currencies.

Politically, a nation poised on the brink of war might suffer an extreme lack of confidence in its currency by the world community's considering the potential loss of infrastructure and economic strength in a possible war.

Student Supplement 4

In an international business transaction dealing with different currencies, buyers must obtain the currency of transaction (usually the choice of the seller), depending upon the terms of the selling contract, from a local bank dealing in international currencies. Or, arrangements can be made for proper payment through a bank near the seller.

To further add complications to this complex situation, some currencies around the world are more easily converted for international business deals than others. The global business community generally defines these currencies as **hard currencies**, or those that most businesspeople in the world will accept as payment for goods/services. Other currencies are called **soft currencies**, those with only limited acceptance by sellers around the world.

The U.S. dollar and the German mark are examples of hard currencies that enjoy the respect of most buyers and sellers across the world because of their relative stability. Because of that, both currencies are easily converted (**convertible**) to other hard currencies, such as the Japanese yen or the French franc. The ruble, however—the currency of the former Soviet Union—was a so-called *soft currency*, because of its almost nonexistent use outside the U.S.S.R. Because the ruble was not backed by a strong banking system and a dependable economy, few merchants in the world would exchange dollars, pounds, yen, or francs for rubles. Also, with the ruble's use confined within the boundaries of the former Soviet Union or its satellite nations, where would a merchant use the rubles he or she accepted as payment? Only in the Soviet Union—where, at the time, few consumer goods were being produced. Because of this, the ruble was, for all practical purposes, **unconvertible**.

Convertibility also refers to policies within trading nations that allow exporters paid in the currency of one nation to exchange that currency for the currency of another nation without restriction. Actually, *full convertibility*, refers to the ability of residents and non-residents of a nation to exchange unlimited amounts of foreign currency. For instance, the U.S. dollar is fully convertible while the Mexican peso is only partially convertible.

International Economics and Finance
Unit 3

Student Supplement 5—Types of Financial Institutions

One of the most important factors in determining the feasibility of trade with customers in another nation is the ability to exchange currencies between buyers and sellers. In the case of most developed countries, the exchange of one currency for another is usually easily accomplished because the currencies are *convertible*.

Convertibility refers to the ease with which one may exchange a given currency for another. For example, it is relatively easy to exchange a U.S. dollar for British pounds sterling because both currencies are known to be backed by stable governments and national economies. If, however, one tried to exchange the Vietnamese dong for U.S. dollars, the exchange would not be so easy. The dong is not readily converted in international markets; therefore, trade between buyers and sellers using the dong and buyers and sellers using other currencies must somehow be accomplished through means other than direct exchange of the two nation's currencies.

An international banker suggests the student consider the following two points to determine if a nation's currency is readily convertible: (1) the existence of a central banking system and (2) a well-organized stock exchange.

In most countries, a central banking system involves banks and subsidiary agencies to maintain the stability of the nation's currency and money supply. In the United States, that would be the Federal Reserve Bank system and the Federal Reserve Board. The Federal Reserve Bank is essentially a "bank for bankers." The Federal Reserve Board is a non-political body that determines interest rates paid to investors who buy U.S. government securities such as bonds and treasury bills. Examples of similar facilities in other nations include The Bank of Japan, the Deutsche Bundesbank (The German Federal Bank), The Central Bank of Brazil, and The Reserve Bank of Australia.

Of course, most nations have a number of other government-assisted and privately held commercial banks, such as Germany's Deutsche Bank AG and Commerzbank AG, the Japanese Development Bank or the Japanese Export/Import Bank, and the Brazilian National Housing Bank or Industrial Finance Fund. The central banking system, however, is a vital part of whether a nation's currency is relatively easy to convert.

A stock exchange is an organized market in which government securities and shares (small divisions of ownership) of listed companies are traded at auction. Examples include the New York Stock Exchange in the United States, The Tokyo Stock Exchange in Japan, the British National Stock Exchange in London, the Amsterdam Bourse in the Netherlands, and the Paris Bourse in France.

In most cases, information on these institutions is readily available in encyclopedias or other general reference books that deal with nation's culture, geography, people, and economics.

International Economics and Finance
Unit 3

Assignment Sheet 1—Determine the Economic Advantages of a Free-Enterprise System

Name ______________________________ Overall rating ______________

Evaluation criteria	**Rating**
Directions have been followed	_____
Content is relevant and well thought out	_____

Introduction

As you learned in Objective 2 of the information sheet, a *free-enterprise economic system* is one in which allocation of resources and production and consumption questions are answered by consumers in a marketplace that includes freedom of exchange. A *centrally planned* (or *closed*) *economic system*, on the other hand, does not allow for freedom of exchange. Free exchange improves the financial well-being of a nation.

Extending the concept of free exchange beyond a nation's borders also improves a nation's financial well-being, and with that, improves the standard of living and creates more jobs.

To illustrate this concept, your instructor will have you participate in a simulation of international trade in a free-enterprise system and a centrally planned system.

Exercise

Directions

After completing the free-enterprise vs. closed economy international-trade simulation, answer each of the following items based on your observations of the simulation's outcomes.

1. At the end of the simulation, which nation possessed the most money and commodities? Circle the correct response below.

   Free trader   Closed trader

Assignment Sheet 1

2. On the blanks below, explain why the winning nation was able to collect more goods and currency.

____

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3. On the blanks below, explain what happened to the prices of the commodities after the *world market* began trading with the *free-trader* nation.

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Assignment Sheet 1

4. On the blanks below, describe trading in the *closed-trader* nation as the simulation proceeded. Did it continue at the pace it started? Explain why or why not.

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5. If one member of your nation collected the bulk of the commodities or money, explain why that occurred. How did you feel about it?

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International Economics and Finance
Unit 3

Assignment Sheet 2—Analyze Scenarios to Determine the Trade Barriers at Work

Name ______________________________ Overall rating ____________

Evaluation criteria	**Rating**
Directions have been followed	______
Eight of the ten answers are correct	______

Introduction

As you learned in Objective 3 of the information sheet and in Student Supplement 3, "Tools of International Economic Policy," there are various barriers to trade across international borders. In this assignment sheet, you will be asked to analyze several trade scenarios and determine the trade barrier at work in each.

Exercise

Directions

Read the following trade scenarios, consider the actions taken, and identify the trade barriers at work. Write your answers on the appropriate blanks.

1. Nation A is not self-sufficient in petroleum production but realizes that a petroleum-producing industry is vital to survival in case of war or other circumstances in which orderly supplies of imported oil are interrupted. Therefore, Nation A, while importing a significant portion of its petroleum needs from nations that can produce oil much less expensively, views retaining domestic producers and refiners as a defense strategy. To keep these producers in business although they are competing with much lower-cost suppliers of the same product, Nation A levies an import tax on foreign oil brought into the nation. This keeps domestic prices of petroleum products artificially higher than they might be if all petroleum needs were met by the lowest bidder in the world's marketplace. The higher cost of imported oil, however, has the effect of maintaining domestic producers in business in case of national emergency.

   Name the trade barrier at work in the scenario.

   ____

Assignment Sheet 2

2. The government of Nation B has long viewed the grain production of Nation C as a competitor, although Nation B is capable of producing grain at a much lower price than Nation C. Because of political reasons at home, Nation B begins selling millions of bushels of grain at well below the cost of production with the express intent of "drying up" the market for domestically produced grain in Nation C. Nation B accomplishes this by taking money out of the general economy to pay for the grain it is placing in Nation C at prices under its own costs. Eventually, the low-cost grain from Nation B is substituted for Nation C's own grain because the price is so attractive. Nation C's grain producers go out of business or switch to other crops, and finally, Nation C no longer has the ability to produce its own grain.

   Name the trade barrier Nation B is using against Nation C.

   ____

3. For years Nation D and Nation E have lived peacefully together, sharing a common border. Because Nation E is very mountainous and has no arable land on which to produce food, it is totally dependent upon the farmers of Nation D, who export a portion of their bountiful harvests to Nation E each year. For some reason, however, the ruling government of Nation D has taken a dim view of the religious preferences of Nation E. The intolerance finally gets so severe that Nation D's rulers call for a complete stoppage of food shipments to Nation E in an effort to win concessions from Nation E in the way its people worship. To further enforce the starvation, Nation D surrounds Nation E to prevent any other nations from supplying Nation E with food.

   Name the trade barrier at work in the scenario.

   ____

Assignment Sheet 2

4. Nation F has a small but politically well-organized group of basketmakers. Baskets are a culturally important item in Nation F's economy, but several nations lying close to Nation F can produce similar baskets at the same or lower cost than Nation F's domestic producers. Realizing the demand for baskets can only consume so many baskets per year in Nation F, the basketmakers' organization lobbies Nation F's government to limit the number of imported baskets that can come into Nation F. They do not want to place a tariff on the foreign baskets because that could cause similar tariffs on other goods Nation F exports. They just want to limit the number of baskets entering the country. Once that number is surpassed, then Nation F's government would begin charging a tax equal to the selling price of the imported basket—essentially doubling its price in comparison to Nation F's domestically produced baskets.

   Name the trade barrier erected.

   ____

5. After Fidel Castro declared Cuba to be a communist nation in the early 1960s, the United States passed laws to make trade with Cuba illegal.

   Name the trade barrier represented in this action.

   ____

6. Fearing trade restrictions by the U.S. Congress, Japanese automakers voluntarily agreed to limit their shipments of automobiles into the United States in the late 1980s.

   Name the type of trade barrier this voluntary action actually represents.

   ____

7. After the government of the Republic of Vietnam fell to military action by North Vietnam in 1975, the United States halted all trade with the newly unified nation of Vietnam.

   Name the trade barrier this action represents.

   ____

Assignment Sheet 2

8. As the North American Free Trade Agreement is finalized, a number of U.S. interests are seeking taxes on Mexican imports into the U.S. to help relocate and retrain workers who may be displaced by the movement of U.S. production into Mexican factories.

   Name the trade barrier described in this situation.

   ____

9. Beekeepers in the U.S. have long complained about honey imported from China at much lower than the 30-cents-per-pound U.S. government's guaranteed honey-loan rate.

   Name the trade practice the U.S. beekeepers claim the Chinese government is using to hurt their market.

   ____

10. In an effort to assure that European farmers have a market for their soybeans, the European Community has charged a relatively high fee for importing U.S. soybeans into the EC.

    Name the trade barrier this action represents.

    ____

International Economics and Finance
Unit 3

Assignment Sheet 3—Profile a Nation's Economy

Name ______________________ Overall rating ____________

Evaluation criteria	**Rating**
Directions have been followed	______
Content is relevant and well organized	______

Introduction

Your goal in this assignment sheet is to further explore a nation in the international trade region you were assigned to in Unit 2, "International Trade Regions." You have learned many economic terms by reading Objectives 1 through 4 of the information sheet and further explored these concepts by studying Student Supplements 1 through 3 and by completing Assignment Sheets 1 and 2. In this assignment sheet, you will use this knowledge and the research skills you learned in Unit 2 to profile your assigned nation's economy.

Exercise

Directions

Consult encyclopedias, current periodicals, almanacs, and other references you may have in your classroom, school, or public library to develop an economic profile of your assigned nation.

Your written report must detail the type of economic system found in the nation (who the consumers are, how much they have to spend, what they buy, what they produce, where they sell their products, and what financial and natural resources the nation has). Also, the report should note whether the nation has a stock exchange and a central bank and whether the currency is convertible in world financial markets. In addition, the report should note the present economic policies of the nation (the trade-enhancing policies or trade barriers established by the country).

You will combine your nation's profile with the profiles done by the other members of your trade-region group to complete an analysis of your assigned region.

Assignment Sheet 3

Your instructor will provide you with guidelines explaining the formats for the finished individual report and your group report.

My assigned trade region is

____

My individual country is

____

International Economics and Finance
Unit 3

Assignment Sheet 4—Analyze the Effects of Changing Exchange Rates

Name ______________________________ Overall rating ____________

Evaluation criteria	Rating
Directions have been followed	______
Four of the five answers in Part A are correct	______
Four of the five answers in Part B are correct	______

Introduction

As you read in Student Supplement 4, "Basic Finance—Money, Inflation, and Exchange Rates," the value of a nation's currency worldwide fluctuates on a minute-by-minute basis according to what the various markets around the world perceive as the currency's relative value. To successfully market products in the international arena, buyers and sellers must be aware of how changing exchange rates affect their buy/sell prices. The following scenarios will help you become familiar with exchange rates and the results of their movement.

Exercise

Part A **Compute exchange rates**

Directions

Using the exchange rates provided in Table 1 of Student Supplement 4, compute the exchange rates for the following scenarios. Show your work in the blank spaces provided and write your answers on the appropriate blanks.

1. You are traveling in Zurich, Switzerland, and wish to purchase a Swiss-made watch in a local jewelry store. The price listed is SFranc 200, or 200 Swiss francs. Based on the given exchange rate that the SFranc is worth 1.3155 U.S. dollars, how much is the watch in U.S. dollars?

   Cost in U.S. dollars ______________________________

Assignment Sheet 4

2. A U.S. grain trader agrees to sell 5000 bushels of U.S. hard-red winter wheat to a Japanese miller in Nagasaki, Japan. The agreed-upon price is 3 U.S. dollars per bushel delivered to the Japanese miller's loading dock. If the U.S. dollar is worth 126.70 yen, how many yen will the miller have to exchange for the purchase of the U.S. grain?

   The number of yen ______________________________

3. Following the transaction described in Scenario 2, the Japanese miller waited a day or so before exchanging yen for dollars. During that time, the exchange rate changed so that the U.S. dollar gained strength against the yen. Now, it takes 130 yen to equal a dollar. How much has the Japanese miller's purchase price gone up in yen, compared to what it was in the scenario above?

   The purchase price increase in yen ________________

Assignment Sheet 4

4. A U.S. buyer of German machine tools agrees to pay 1 million German marks for a shipment of computer-operated lathe equipment. If the U.S. dollar is worth 1.4810 German marks, how many U.S. dollars will the U.S. buyer have to exchange to make the purchase?

   Number of U.S. dollars exchanged ____________________

5. A florist in the United Kingdom wishes to purchase 50,000 British pounds worth of tulip bulbs from a grower in the Netherlands. How many guilder's worth of bulbs does this transaction represent to the tulip grower?

   Number of guilders ________________________________

Assignment Sheet 4

Part B **Analyze the effects of changing exchange rates**

Directions Find a current exchange-rate chart in a newspaper business section and paste it in the space provided below. Using this chart and Table 1 in Student Supplement 4, answer items 1 through 5 on page 307.

Assignment Sheet 4

1. Circle the following currencies on the chart you pasted down on the previous page, and then, enter each exchange rate requested on the blanks below.

   Yen ______________________________

   SFranc ______________________________

   Guilder ______________________________

   Pound ______________________________

   Mark ______________________________

2. Is the Japanese yen worth more or less, compared to the U.S. dollar, than it was in the chart supplied in Student Supplement 4? Circle the correct response.

   Worth more   Worth less

3. What has the change in the yen's value done to the price of Japanese products imported into the United States?

   ____

   ____

   ____

   ____

   ____

4. Is the German mark worth more or less, compared to the British pound, than it was in the chart supplied in Student Supplement 4? Circle the correct response.

   Worth more   Worth less

5. What has the change in the German mark's value done to the price of German products imported into the United Kingdom?

   ____

   ____

   ____

International Economics and Finance
Unit 3

Assignment Sheet 5—Profile a Nation's Financial System

Name ____________________ Overall rating ____________

Evaluation criteria	**Rating**
Directions have been followed	_____
Content is relevant and well organized	_____

Introduction

Your goal in this assignment sheet is to further explore a nation in the international trade region you were assigned to in Unit 2, "International Trade Regions." You have learned many financial terms by reading Objectives 5 through 11 of the information sheet and further explored these concepts by studying Student Supplements 4 and 5 and by completing Assignment Sheet 4. In this assignment sheet, you will use this knowledge and the research skills you learned in Unit 2 to profile your assigned nation's financial system.

Exercise

Directions

Consult encyclopedias, current periodicals, almanacs, and other references you may have in your classroom, school, or public library to develop a financial profile of your assigned nation.

Your written report must detail the financial centers of the nation and the types of financial institutions found in these financial centers. Also, list the currency used in the nation and determine its convertibility.

You will combine your nation's profile with the profiles done by the other members of your trade-region group to complete an analysis of your assigned region.

Your instructor will provide you with guidelines explaining the formats for the finished individual report and your group report.

International Economics and Finance
Unit 3

Assignment Sheet 6—Analyze Current Events Concerning Issues Relevant to International Economics and Finance

Name ____________________ Overall rating __________

Evaluation criteria	**Rating**
Directions have been followed	______
Content is relevant and well organized	______

Portfolio Assignment

Introduction

As you studied this unit, you should have become more aware of the economic and financial aspects of international trade. You have studied the types of economic systems and various economic terms as well as the definition of finance and various financial terms and institutions. Your goal in this assignment is to explore how these economic and financial aspects are affecting international trade today.

Exercise

Directions

Every day, newspapers and news magazines carry up-to-date business trends. From these newspapers and magazines, you are to collect a minimum of five current articles dealing with current events in international economics and finance.

From these articles, write a report in which you analyze the content of these articles. Clearly state the main topic of each article. For example, identify whether the article is about a current economic policy of a certain nation or concerns financial or economic terms such as *protectionism, tariffs, quotas, dumping, embargo, currency, exchange rate, interest,* etc. Summarize the contents of each article.

Your instructor will provide you with guidelines explaining the format of the finished report. This assignment will be collected and retained in a portfolio that will become a record of the progress you have made in your study of international trade.

Import/Export Basics
Unit 4

Objective Sheet

Unit objective

After completing this unit, the student should be able to analyze import/export transactions and interpret basic import/export documentation. The student will demonstrate these competencies by completing the assignment sheets and by scoring a minimum of 85 percent on the written test.

Specific objectives

After completing this unit, the student should be able to

1. Define the terms *import* and *export.*
2. Discuss reasons domestic businesses import goods/services.
3. Discuss reasons domestic businesses export goods/services.
4. Define types of import/export transactions.
5. Match to their correct definitions types of businesses commonly employed in indirect import/export transactions.
6. Match to their correct definitions types of risks involved in import/export transactions.
7. Match to their correct descriptions terms of sale used in import/export transactions.
8. Define the categories of import/export documentation.
9. Match to their correct definitions commonly used import/export documents.
10. Arrange in order the steps in a typical export transaction.
11. Arrange in order the steps in a typical import transaction.
12. Analyze import/export scenarios to determine type of risk described. (Assignment Sheet 1)
13. Analyze import/export scenarios to determine type of incoterm described. (Assignment Sheet 2)

Objective Sheet

14. Interpret import/export documents. (Assignment Sheet 3)

15. Analyze a local business' export transaction. (Assignment Sheet 4)

16. Analyze a local business' import transaction. (Assignment Sheet 5)

17. Plan an export sale. (Assignment Sheet 6)

18. Analyze current events concerning issues relevant to import/export procedures and documentation. (Assignment Sheet 7)

Import/Export Basics
Unit 4

Information Sheet

1. **Definitions of the terms *import* and *export***

- **Import**—To bring in (buy) goods/services from a country outside one's own
- **Export**—To sell domestically produced goods/services to a country outside one's own

2. **Reasons domestic businesses import goods/services**

- **Price**—Import is less expensive than domestically produced goods/services
- **Authenticity or lack of domestic supply**—Import is found or produced only in another part of the world

  Examples: Philippine mahogany, Egyptian cotton

- **Conspicuous consumption** (status, "snob appeal")—Import is in demand because of its name or perceived quality, or because it is expensive or relatively rare

  Examples:
  - In many cases, BMW and Mercedes automobiles are purchased for status, although many owners will argue that their cars' construction quality is superior to U.S. products.
  - French wines, which regularly lose international competition to California and Texas products, are sought after for status' sake.

3. **Reasons domestic businesses export goods/services**

- **Broader market**—Export sales create an increased demand (broader market) for the goods/services the business produces/provides

  Note: Looking at global markets, U.S. economists say there is four times the economic activity outside the U.S. as there is within its boundaries, and the gap is expected to widen into the next century. This rapidly growing international economy represents potentially rich markets for goods/services produced in the U.S.

- **Economic efficiency**—Increased demand created by the export sales allows the business to produce more goods with the same capital outlay for equipment, thus lowering the production cost per unit

Information Sheet

- **Market knowledge**—Export sales keep the business in touch with changing customer needs and in tune with the goods/services competitors are providing

- **Compensation for seasonality in domestic sales**—Export sales allow the seasonal business to sell to other nations when the domestic demand is slack

  Example: U.S.-built lawn mowers are in demand in Australia when it is winter in the U.S.

4. **Types of import/export transactions and their definitions**

- **Direct**—Import/export transaction in which there are no intermediaries between the importer (buyer) and the exporter (seller) in the distribution of the goods/services

  Note: The direct transaction allows a business the greatest overall control of the import/export transaction and is the most efficient type for long-term arrangements. For instance, a U.S. business that continues to use a foreign-produced component in its product would find it more cost effective to purchase that component directly from the manufacturer.

- **Indirect**—Import/export transaction in which the importer (buyer) and exporter (seller) employ a network of businesses or individuals to carry out the routine scheduling and paperwork tasks involved in the distribution of the goods/services

  Note: The indirect transaction allows a business to develop and produce its product/service and leave international marketing to service businesses that specialize in international trade.

5. **Types of businesses commonly employed in indirect import/export transactions and their definitions**

- **Brokers and agents**—Individuals or businesses that set up deals on either end of an import/export transaction

  Examples: A customhouse broker hired to process all incoming imports to the specifications of the U.S. Customs Service; labeling, packing, and documentation agents

- **Export management company** (EMC)—Business that is hired on commission to handle all of a business' export needs

  Note: An EMC is a complete service house for a company's exporting needs and will pay all export expenses and take care of all export activities.

Information Sheet

- **Export service company**—Business that is hired to provide only certain export services

  Examples: Market research service; documentation service

- **Export trading company** (ETC)—Business that acts as a market for export goods by selling them on consignment

  Note: An ETC actually takes ownership of a business' exported goods. Because ETCs are not always subject to some U.S. laws, they are, many times, able to compete with foreign trading companies—an advantage a direct exporter would not have.

- **Export trading cooperative**—Marketing group that is formed by export-oriented businesses that produce/provide similar goods/services

  Note: An export trading cooperative is capable of commanding attention in the international marketplace because of the quantity of goods/services it is able to provide.

- **Foreign trading company**—Large business (usually located in Europe, Japan, or South Korea) that employs specialists who locate markets in their own and other nations

6. Types of risks involved in import/export transactions and their definitions

Note: For purposes of discussion, the risks involved in import/export transactions are categorized into two basic groups—economic or political—although in actuality, any loss incurred during the transaction is always economic.

a. Economic risks

- **Commercial-credit risk**—Economic loss arising when the importer (buyer) defaults on payment

  Example: The importer refuses to accept goods shipped by the exporter, leaving the goods essentially unattended thousands of miles from the exporter.

- **Foreign-exchange risk**—Economic loss arising because of fluctuations in global financial markets

  Example: A U.S. exporter requires $1 million in U.S. currency for the goods produced for a British firm. At the current exchange rate of 1.75 pounds to 1 dollar, the British firm would owe 571,428.57 British pounds. If the value of the U.S. dollar climbed against the pound to an exchange rate of

Information Sheet

1.5 pounds to 1 dollar, the British firm would owe 666,666.67 British pounds (1,000,000 dollars divided by 1.5 pounds per dollar equals 666,666.67 pounds).

- **Transportation risk**—Economic loss resulting from the length of time it takes to transport goods, or loss resulting from physical damage to the goods during transport

  Note: The length of time it takes to transport goods becomes an economic consideration because most international transactions are financed and interest costs climb each day the goods are in transit.

  Physical damage can result from improper handling during transit, from water damage during ocean transport, improper refrigeration of perishible items, accidents, hijackings, aircraft crashes, etc.

b. **Political risks**

- **Sovereign-action risk**—Economic loss resulting from political action taken by a government

  Examples: A shipment is lost when a nation declares war and confiscates all goods entering the country; a nation's parliament sets a high tariff on certain goods from a given nation

- **Documentary risk**—Economic loss resulting from the seizure of goods by officials of a foreign government because of improper, incomplete, or inaccurate paperwork (documentation)

7. Terms of sale (incoterms) used in import/export transactions and their descriptions

Note: International trade has a standardized set of terms and abbreviations used in describing the terms of sale used in international transactions. Standardization of the terms of sale provides consistency and uniformity to sales contracts crossing international borders.

After World War II, exporters over the world were using two sets of accepted sales terms—International Commercial Terms (incoterms), which are published by the International Chamber of Commerce, and the Revised American Foreign Trade Definitions. With two systems in use, confusion was common.

Information Sheet

In 1980, the incoterms were revised and, since that time, have become the standard terms of sale in all international trade. The importance of incoterms lies in their definitions of who is responsible for shipped goods and when that responsibility begins and ends, where goods are to be delivered to meet the terms of a contract, and who pays for what services along the way. (See Figure 1.)

- **Ex works**—Exporter's (seller's) only responsibility is to make the goods available at the factory, farm, or mill where they are produced

  Note: This term might be specified when the exporter wants no responsibility for the goods after they leave his or her place of manufacture. Although this is the least risky term of sale for the exporter, the selling price must be adjusted downward because of the insurance premiums and risks the importer assumes.

- **Free carrier** (named point)—Exporter (seller) is responsible for the goods until they are delivered to a freight carrier at a certain named location; from the freight dock, the importer (buyer) assumes responsibility for the goods

  Note: This term might be specified when the exporter is assured there is little risk in holding the goods to the point of delivery to the freight dock. In this case, the selling price can reflect the cost of delivery to the freight carrier.

- **FOR/FOT** (free on rail/free on truck)—Exporter (seller) is responsible for the goods until they are delivered to and loaded on a freight carrier (railroad car or truck); the importer (buyer) assumes responsibility for the goods when they have been loaded on the carrier, and must pay the price specified in the sales contract

  Note: Under this term of sale, the exporter must, at his or her own expense, arrange for transporting, packing, delivering, and loading the goods to be shipped.

- **FOB** (free on board)—Exporter (seller) is responsible for the goods until they are placed on board a ship (or other carrier named in the shipping documents); responsibility for the goods shifts from the exporter (seller) to the importer (buyer) as the goods pass the ship's rail

- **FOB airport**—Exporter (seller) is responsible for goods until they are delivered to the air carrier at the airport of departure

  Note: FOB airport is similar to the FOR/FOT and FOB, but involves air rather than ship or rail freight.

- **FAS** (free alongside ship)—Exporter (seller) is responsible for the goods until they have been placed alongside a ship or on the pier or on the transport boat used to load the ship; the importer (buyer) assumes responsibility for the goods from the time they are delivered "alongside ship," through loading at the port of departure, transporting, and unloading at the port of destination

Information Sheet

- **C&F** (cost and freight)—Exporter (seller) pays the costs of the freight to bring the goods to the port of departure and is responsible for the goods until they are placed on the ship; responsibility for damage or loss is transferred to the importer (buyer) as soon as the goods are placed on the ship

- **CIF** (cost, insurance, and freight)—Exporter (seller) pays the cost of the freight and marine (seagoing) insurance to cover loss or damage during transportation; importer (buyer) assumes responsibility for the goods at the port of destination as they are unloaded from the ship and is responsible for any charges (other than freight charges) that have been amassed for the shipment while in transit

- **Ex ship**—Exporter (seller) pays all costs incurred in delivering the goods to the port of destination named in the sales contract and is responsible for the goods until the transport ship arrives at the port of destination; importer (buyer) assumes responsibility for the goods on board the ship at the port of destination

- **Ex quay**—Exporter (seller) is responsible for the goods until they have been loaded onto the pier or wharf (quay) at the port of destination named in the sales contract; importer (buyer) is responsible for all costs and risks in bringing the goods to the pier or wharf

  Note: There are two types of ex quay contracts. One type—ex quay "duty paid"—stipulates that the exporter pay any customs duties; the other type—ex quay "duties on the buyer's account"—stipulates that the importer pay the duties.

- **Delivered at frontier**—Exporter (seller) is responsible for the goods until they have arrived within the physical boundaries of the country of destination (frontier) but transfers responsibility to the importer (buyer) before the goods pass through customs

- **Delivered/duty paid**—Exporter (seller) pays shipping, regardless of the transportation method, and any required tariffs or duties to the point of delivery specified by the sales contract

  Note: Whereas in ex works all costs and risks are the responsibility of the importer, in delivered/duty paid, the exporter is responsible for all costs incurred to the specified delivery point.

Information Sheet

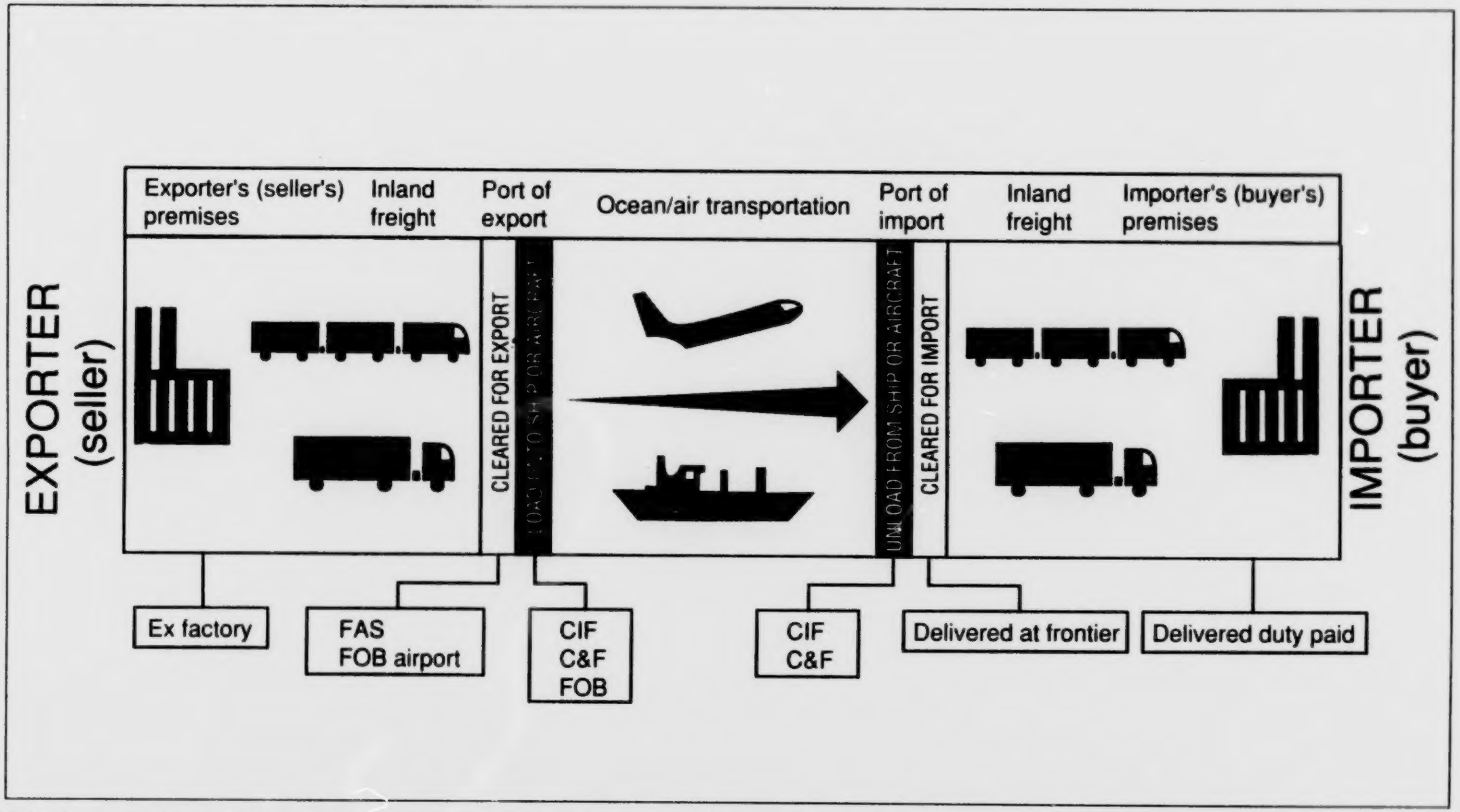

EXPORTER (seller)
Exporter's (seller's) premises
Inland freight
Port of export
Ocean/air transportation
Port of import
Inland freight
Importer's (buyer's) premises
IMPORTER (buyer)
CLEARED FOR EXPORT
LOADED TO SHIP OR AIRCRAFT
UNLOAD FROM SHIP OR AIRCRAFT
CLEARED FOR IMPORT
Ex factory
FAS
FOB airport
CIF
C&F
FOB
CIF
C&F
Delivered at frontier
Delivered duty paid

Figure 1: Terms of sale (incoterms)[1]

1-This diagram does not include all incoterms and does not replace more complete publications and explanations.

Courtesy of the Instructional Materials Center of the Oklahoma Department of Vocational and Technical Education. From *Export Management Specialist: A Training Program*, copyright 1991.

Information Sheet

8. Categories of import/export documentation and their definitions

Note: When you think of exports, you usually have visions of seagoing freighters, trucks, trains, or large transport aircraft. Large transports do play a vital part in international trade as common carriers of goods, but documentation—the "sea of paperwork" that surrounds import/export transactions—is just as important in maintaining the flow of goods around the world.

The basic purpose of documentation is to **ensure safe and efficient passage of goods from buyer to seller by providing a paper trail of the entire transaction**. Some governments require documentation—in their own languages and on standardized forms of their choosing—to monitor who is buying and selling and what goods are crossing their borders. Some documents are required because of the requests of importers or their banks. In all, there are about 120 documents used in international trade and these documents can be classified into one of the four categories listed below.

- **Commercial**—Documents dealing with the financial transactions between the importer (buyer) and the exporter (seller)
- **Banking**—Documents dealing with the securing and guaranteeing of payment for goods/services
- **Transportation**—Documents providing instructions for moving goods from the exporter (seller) to the importer (buyer)
- **Government-control**—Documents providing information required by authorities in either the exporter's (seller's) or importer's (buyer's) nation

9. Commonly used import/export documents and their definitions

Note: See Student Supplement 2 for an illustration of where each of the documents below fits in the flowchart of a typical export transaction.

a. Commercial documents

Note: Each of the document types below would include terms and conditions of sale spelled out with incoterms, specific points of destination, specific carriers, exact payment amounts, etc.

- **Pro forma invoice** — Sample invoice created by the exporter (seller) in order to provide the importer (buyer) with a price quotation

  Note: See sample Document 1 in Student Supplement 1.

Information Sheet

- **Purchase order** — Document the importer (buyer) uses to officially order and authorize payment for a good/service

  Note: See sample Document 2 in Student Supplement 1.

- **Commercial invoice** — Invoice created by the exporter (seller) as an actual billing document

  Note: See sample Document 3 in Student Supplement 1.

b. **Banking documents**

- **Letter of credit** — Document in which a bank guarantees a customer's account to the exporter (seller)

  Note: See sample Document 4 in Student Supplement 1.

  Note: Various other documents pertaining to the importer, exporter, or the supply bank may be connected to the letter of credit.

- **Bank draft** — Claim of payment; check

  Note: See sample Document 5 in Student Supplement 1.

- **Electronic wire transfer form** — Document confirming the electronic transfer of funds from one bank to another

  Note: See sample Document 6 in Student Supplement 1.

c. **Transportation documents**

- **Bill of lading** — Document representing a contract between the exporter (seller) and the carrier that will transport the goods

  Note: There are inland, ocean, and airway bills of lading. See sample Document 7 in Student Supplement 1.

- **Delivery instructions** — Document providing the carrier with specific directions for delivery of the goods

  Note: See sample Document 8 in Student Supplement 1.

- **Dock receipt** — Document transferring to an international carrier the responsibility for and title to goods when the domestic carrier moves the goods to a port of destination and leaves them with the international carrier

  Note: See sample Document 9 in Student Supplement 1.

Information Sheet

- **Inspection certificate** — Document requiring a third-party inspection of the goods upon their arrival at the destination

  Note: See sample Document 10 in Student Supplement 1.

- **Insurance certificate** — Document stating the type and amount of insurance coverage placed on export goods

  Note: See sample Document 11 in Student Supplement 1.

- **Packing list** (bill of materials) — Document containing an itemized list of the export shipment including type of packaging, weight, and volume

  Note: See sample Document 12 in Student Supplement 1.

d. **Government-control documents**

- **Certificate of origin** — Document containing a signed official statement as to the origin of an item for export

  Note: See sample Document 13 in Student Supplement 1.

- **Export declaration** — Document containing information governments use to compile trade statistics and control exports

  Note: See sample Document 14 in Student Supplement 1.

- **General export license** — Document allowing a given exporter (seller) to ship unspecified goods to importers (buyers) in unspecified nations

  Note: Grain exporters are often granted general export licenses.

- **Individual validated license**—Document allowing a given exporter (seller) to ship specified goods into a nation for a specified time

  Note: National security items such as computers and electronic-surveillance equipment are granted individual validated licenses.

10. **Steps in a typical export transaction** (see Figure 2)

- **Step 1:** Exporter (seller) studies the international market for the goods/services

  Note: When a business decides to look into exporting, the first step is to study the market in which it will concentrate its sales efforts. This includes profiling nations most likely to have a demand for the goods/services and studying the various elements of geography, culture, and economics that would have a direct effect on doing business in that particular area.

Information Sheet

- **Step 2:** Exporter (seller) locates customers (importers) for the goods/services

  Note: Once a market is determined, the business will then begin to concentrate on making sales. That will involve finding customers who can and will buy the goods/services.

- **Step 3:** Exporter (seller) decides whether to enter the international market directly or indirectly

  Note: At this stage, the business will have to determine if it will enter the international market directly (doing its own market analysis; handling its own legal, financial, and business papers; and arranging for transportation, insurance, customs procedures, etc.), or if it will export through U.S. or foreign-based trading companies or export management companies.

- **Step 4:** Exporter (seller) prices the goods/services

  Note: The exporter must price the goods/services in a manner that will allow the business to compete in the international market, cover additional costs incurred through the export process, and make a profit.

- **Step 5:** Exporter (seller) and importer (buyer) set conditions of sale and payment

  Note: Once a business receives an inquiry from an importer in the targeted market area, the paperwork detailing the conditions of sale and payment must be completed. This paperwork outlines what is to be paid, how it is to be paid, what guarantees for payment are made, etc.

- **Step 6:** Exporter (seller) creates pro forma invoice

  Note: The pro forma invoice describes the product, estimates delivery time, and states the method of shipping, price, weights and measures, and terms of sale (incoterms). The document is a sample invoice the importer uses in deciding whether or not to make a formal order.

- **Step 7:** Exporter (seller) receives purchase order from importer (buyer)

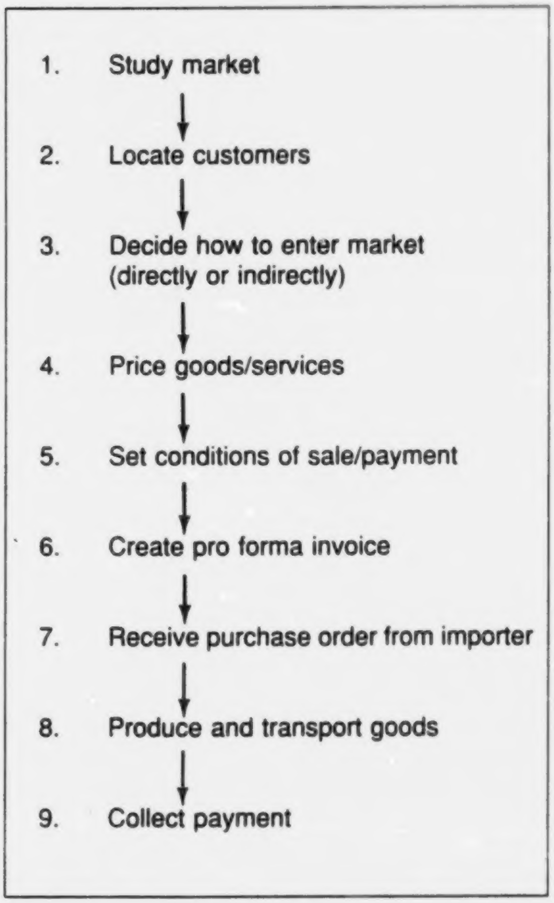
- **Step 8:** Exporter (seller) produces and transports goods or provides services

- **Step 9:** Exporter (seller) collects payment

  Note: Depending upon whether the goods/services were paid for in advance, or if they were to be paid for through a letter of credit upon delivery, or by some other arrangement, the last step in the process is the collection of payment for the goods/services.

Information Sheet

Figure 2: Export flowchart



1. Study market
2. Locate customers
3. Decide how to enter market (directly or indirectly)
4. Price goods/services
5. Set conditions of sale/payment
6. Create pro forma invoice
7. Receive purchase order from importer
8. Produce and transport goods
9. Collect payment

11. **Steps in a typical import transaction** (see Figure 3)

- **Step 1:** Importer (buyer) studies the market for the goods/services

  Note: As with an exporter, an importer must study the market to determine where imported goods/services will be sold, but, in addition, the importer must study the export market to determine where best to purchase the goods/services to be imported.

- **Step 2:** Importer (buyer) locates supplier (exporter) for the goods/services

  Note: Once the market has been determined and customers found for the goods/services, the importer must find a supplier.

Information Sheet

- **Step 3:** Importer (buyer) decides whether to enter the international market directly or indirectly

  Note: The importer must decide whether to personally control the purchase of the goods/services or use foreign agents and brokers or a foreign trading company that specializes in matching exporters' goods/services with the demands of importers in other nations.

- **Step 4:** Importer (buyer) agrees upon exporter's (seller's) price for the goods/services

  Note: As in the export flowchart, an importer must come to an agreement on price with the exporter, taking into consideration the sales price imported goods/services will bring the importer's specific market.

- **Step 5:** Importer (buyer) and exporter (seller) set conditions of sale and payment

- **Step 6:** Importer (buyer) receives pro forma invoice

- **Step 7:** Importer creates purchase order for the goods/services

  Note: The exporter issues the pro forma invoice for the importer's consideration. If the importer accepts all the terms of sale, financing, and transportation, he or she makes a purchase order for a given amount of goods/services.

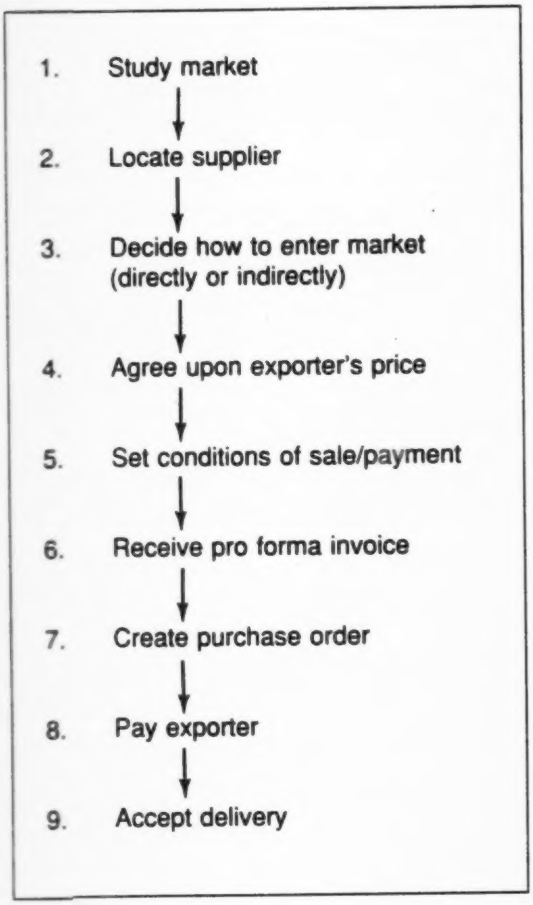
- **Step 8:** Importer (buyer) pays exporter (seller)

  Note: The importer arranges for financing, either by a cash payment through international banking channels or by a letter of credit that authorizes a bank to pay for the goods/services once they are received and approved.

- **Step 9:** Importer (buyer) accepts delivery

Information Sheet

Figure 3: Import flowchart


1. Study market
2. Locate supplier
3. Decide how to enter market (directly or indirectly)
4. Agree upon exporter's price
5. Set conditions of sale/payment
6. Receive pro forma invoice
7. Create purchase order
8. Pay exporter
9. Accept delivery

Import/Export Basics
Unit 4

Student Supplement 1—Sample Documents

Document 1—Pro Forma Invoice

ABC SUPPLY, INC.
1901 Yellow River
Yokohama, Japan

International Sales Company
Anytown, U.S.A.

Purchase Order Date:
Invoice Date:
Invoice Ref. No.: PRO FORMA 00012

Terms of Payment: Confirmed
Irrevocable Letter of Credit
Payable in U.S. dollars

Invoice To:
Ship To:
Forwarding Agent:

Via:
Country of Origin:

Quantity	Part No.	Description	Price Each	Total Price
10	A2Z	Machines	$100.00	$1,000.00

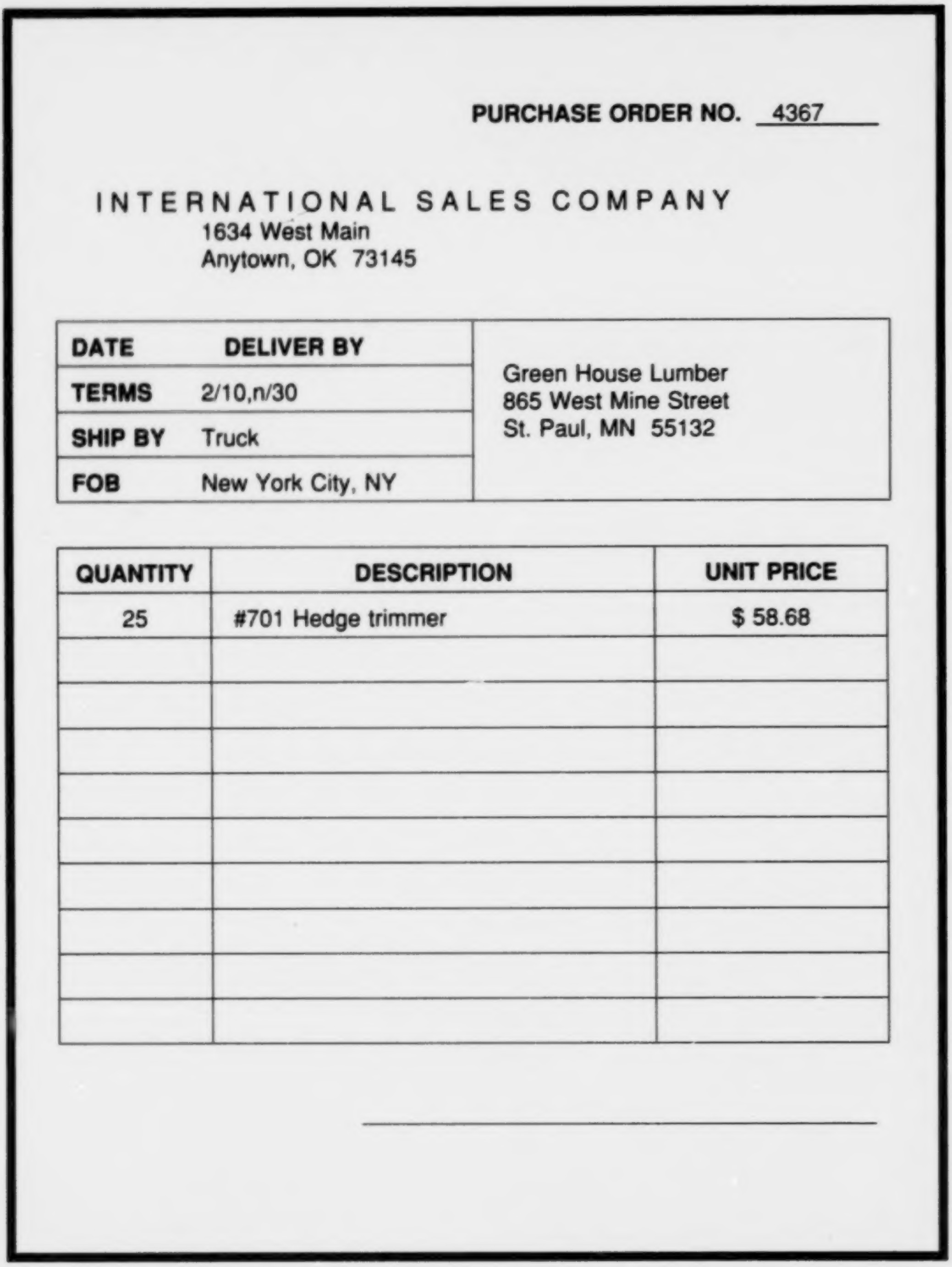
Inland freight, export packing & forwarding fees	100.00
Free alongside (FAS) Yokohama	$1,100.00
Estimated ocean freight	100.00
Estimated marine insurance	50.00
CIF Long Beach	$1,250.00

Packed in 10 crates, 100 cubic feet
Gross weight 1000 lbs.
Net weight 900 lbs.

Payment terms: Irrevocable letter of credit confirmed by U.S. bank. Shipment to be made two (2) weeks after receipt of firm order.
Country of Origin: Japan
We certify this pro forma invoice is true and correct.

Ichi Mowigaza

Document 2—Purchase Order



PURCHASE ORDER NO. 4367

INTERNATIONAL SALES COMPANY
1634 West Main
Anytown, OK 73145

DATE	**DELIVER BY**	Green House Lumber 865 West Mine Street St. Paul, MN 55132
TERMS	2/10,n/30	
SHIP BY	Truck	
FOB	New York City, NY	

QUANTITY	DESCRIPTION	UNIT PRICE
25	#701 Hedge trimmer	$ 58.68

Document 3—Commercial Invoice

INTERNATIONAL
TRADE
COMPANY
P.O. Box 487 / Anytown, OK 74839 / Phone (405) 643-8764

SOLD TO Imports International Ltd.

SHIPPED TO Order of Shipper

CUSTOMER'S ORDER NO. & DATE IMP 03 dated Jan 3/93

INVOICE DATE Jan 30/93

INVOICE NO. BF/UK/93

DATE SHIPPED Feb 15/93

VIA OCEAN FREIGHT VESSEL MV TIBERIUS II

PACKAGE NO.	QUANTITY	OUR NO.	DESCRIPTION	PRICE PER UNIT	AMOUNT
1-10	2000	101	OXYGEN MASK	US$ 2.00 EA	US$ 4000.00

TOTAL SHIPMENT EX WORKS TOLEDO	US$ 4000.00
PLUS: INLAND FREIGHT TO PORT	US$ 120.00
TOTAL BALTIMORE PORT	US$ 4120.00
PLUS: OCEAN FREIGHT	US$ 214.07
PLUS: INSURANCE @ 110% CIF VALUE	US$ 19.15
TOTAL CIF LONDON ENGLAND	**US$ 4353.22**

We certify that this invoice is true and correct, and that the origin of these goods is the United States of America.

These goods licensed by the United States for ultimate destination United Kingdom. Diversion contrary to U.S. law prohibited. LIC. G-DEST.

Samuel Johnson
International Trade Company

Document 4—Letter of Credit

Goldstein & Fillmore
Drawer 12, Box A
Peachtree Station
Atlanta, GA 30302

OUR ADVICE NUMBER: EA00000091
ADVICE DATE: 08MAR94
ISSUE BANK REF: 3312/HBI/22341
EXPIRY DATE: 23JUN94

****AMOUNT****
USD****25,000.00

BENEFICIARY:
EVERGREEN/CASCADE
P.O. BOX 789
DEQUEEN, AR 72119

APPLICANT:
BBH HONG KONG
34 INDUSTRIAL DRIVE
CENTRAL, HONG KONG

WE HAVE BEEN REQUESTED TO ADVISE TO YOU THE FOLLOWING LETTER OF CREDIT AS ISSUED BY:
FIRST HONG KONG BANK
1 CENTRAL TOWER
HONG KONG

PLEASE BE GUIDED BY ITS TERMS AND CONDITIONS AND BY THE FOLLOWING: CREDIT IS AVAILABLE BY NEGOTIATION OF YOUR DRAFT(S) IN DUPLICATE AT SITE FOR 100 PERCENT OF INVOICE VALUE DRAWN ON US ACCOMPANIED BY THE FOLLOWING DOCUMENTS:

1. SIGNED COMMERCIAL INVOICE IN 1 ORIGINAL AND 3 COPIES.
2. FULL SET 3/3 OCEAN BILLS OF LADING CONSIGNED TO THE ORDER OF FIRST HONG KONG BANK, HONG KONG NOTIFY APPLICANT AND MARKED FREIGHT COLLECT.
3. PACKING LIST IN 2 COPIES.

EVIDENCING SHIPMENT OF: 5000 PINE LOGS-WHOLE-8 TO 12 FEET
FOB DEQUEEN, ARKANSAS

SHIPMENT FROM DEQUEEN, ARKANSAS TO: HONG KONG
LATEST SHIPPING DATA: 02JUNE94

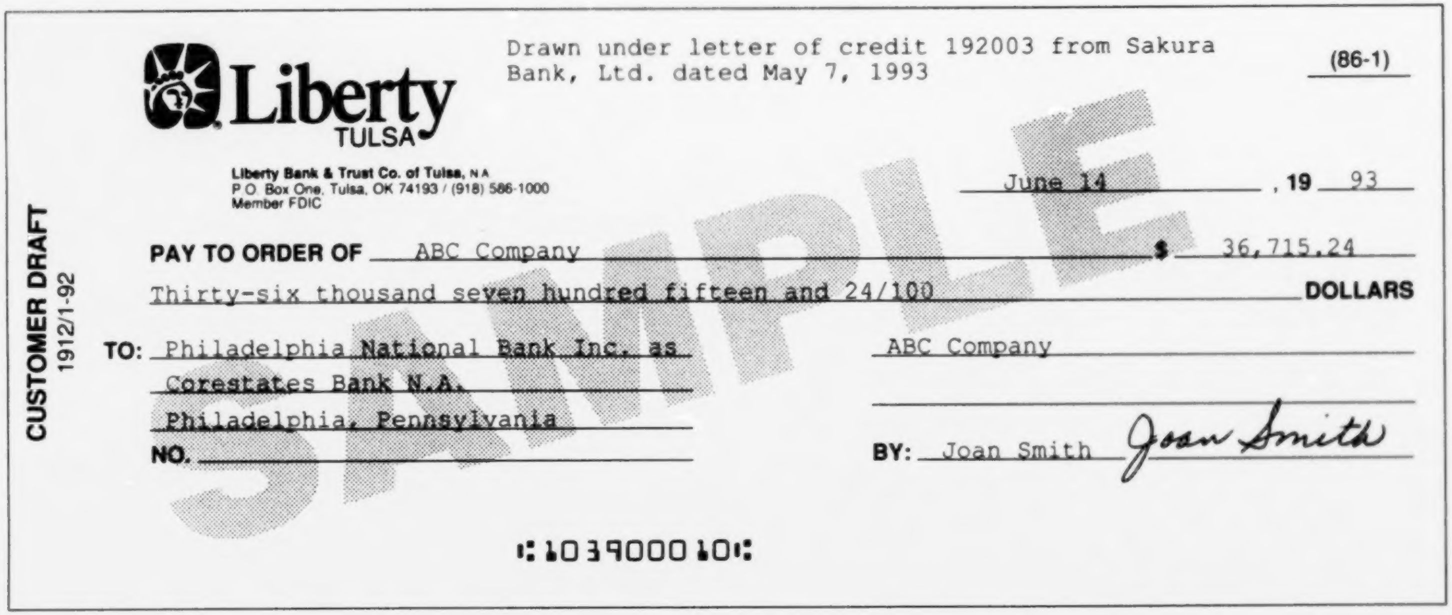
PARTIAL SHIPMENTS NOT ALLOWED TRANSHIPMENT NOT ALLOWED

ALL BANKING CHARGES OUTSIDE HONG KONG ARE FOR BENEFICIARY'S ACCOUNT. DOCUMENTS MUST BE PRESENTED WITHIN 21 DAYS FROM B/L DATE.

AT THE REQUEST OF OUR CORRESPONDENT, WE CONFIRM THIS CREDIT AND ALSO ENGAGE WITH YOU THAT ALL DRAFTS DRAWN UNDER AND IN COMPLIANCE WITH THE TERMS OF THIS CREDIT WILL BE DULY HONORED BY US.

PLEASE EXAMINE THIS INSTRUMENT CAREFULLY. IF YOU ARE UNABLE TO COMPLY WITH THE TERMS OR CONDITIONS, PLEASE COMMUNICATE WITH YOUR BUYER TO ARRANGE FOR AN AMENDMENT.

Document 5—Bank Draft



Liberty
TULSA

Liberty Bank & Trust Co. of Tulsa, N.A.
P.O. Box One, Tulsa, OK 74193 / (918) 586-1000
Member FDIC

Drawn under letter of credit 192003 from Sakura Bank, Ltd. dated May 7, 1993

(86-1)

June 14, 19 93

PAY TO ORDER OF ABC Company **$** 36,715.24

Thirty-six thousand seven hundred fifteen and 24/100 **DOLLARS**

TO: Philadelphia National Bank Inc. as
Corestates Bank N.A.
Philadelphia, Pennsylvania

NO.

ABC Company

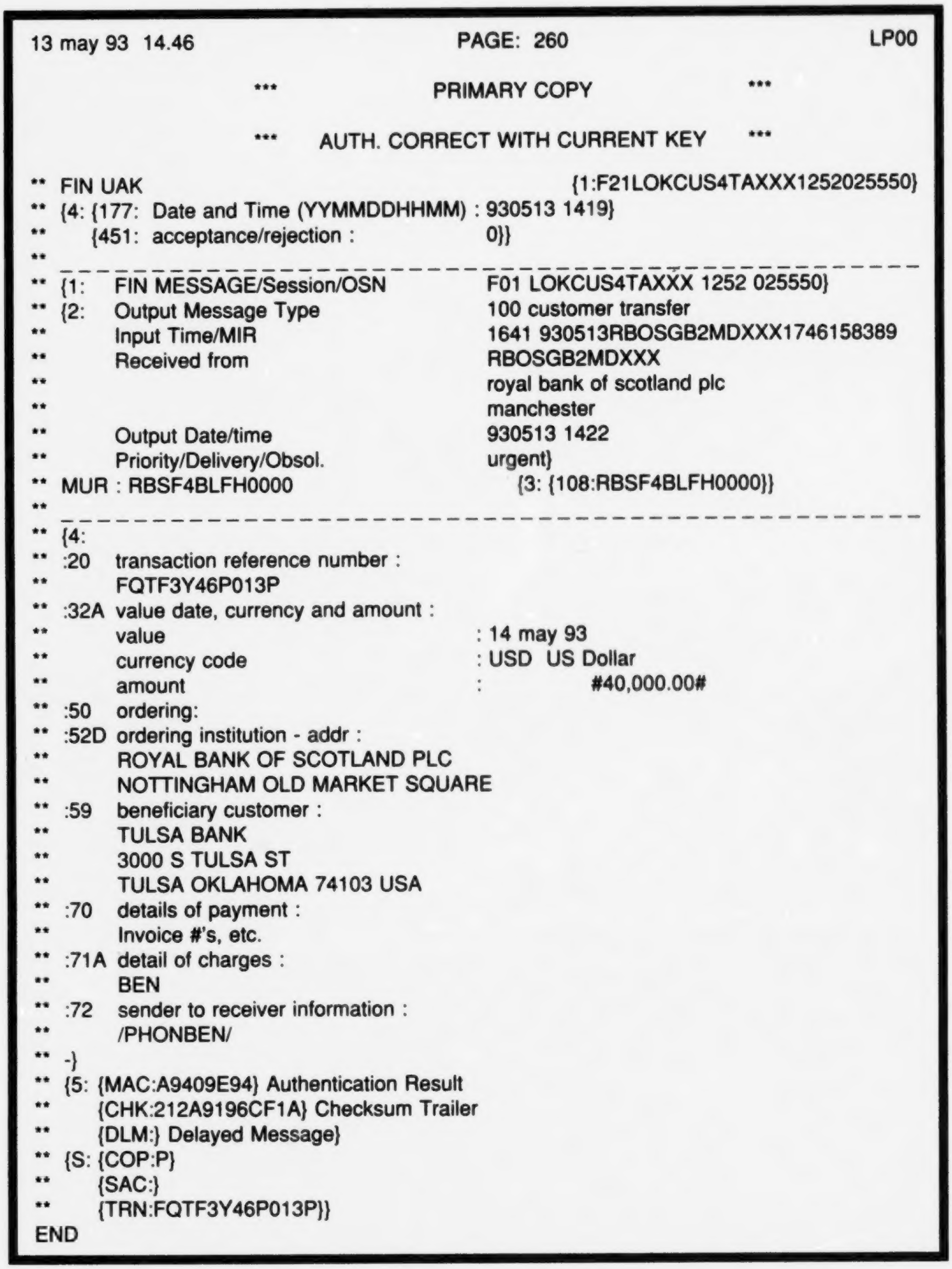
BY: Joan Smith Joan Smith

CUSTOMER DRAFT
1912/1-92

SAMPLE

⑆103900010⑆

Document 6—Electronic Wire Transfer Form (Incoming Wire)



```
13 may 93  14.46                         PAGE:  260                              LP00

                   ***              PRIMARY COPY                   ***

                   ***     AUTH. CORRECT WITH CURRENT KEY          ***

** FIN UAK                                          {1:F21LOKCUS4TAXXX1252025550}
** {4: {177:  Date and Time (YYMMDDHHMM) : 930513 1419}
**     {451:  acceptance/rejection :              0}}
**
** ---------------------------------------------------------------------------
** {1:    FIN MESSAGE/Session/OSN              F01 LOKCUS4TAXXX 1252 025550}
** {2:    Output Message Type                  100 customer transfer
**        Input Time/MIR                       1641 930513RBOSGB2MDXXX1746158389
**        Received from                        RBOSGB2MDXXX
**                                             royal bank of scotland plc
**                                             manchester
**        Output Date/time                     930513 1422
**        Priority/Delivery/Obsol.             urgent}
** MUR : RBSF4BLFH0000                            {3: {108:RBSF4BLFH0000}}
**
** ---------------------------------------------------------------------------
** {4:
** :20    transaction reference number :
**        FQTF3Y46P013P
** :32A   value date, currency and amount :
**        value                              : 14 may 93
**        currency code                      : USD  US Dollar
**        amount                             :              #40,000.00#
** :50    ordering:
** :52D   ordering institution - addr :
**        ROYAL BANK OF SCOTLAND PLC
**        NOTTINGHAM OLD MARKET SQUARE
** :59    beneficiary customer :
**        TULSA BANK
**        3000 S TULSA ST
**        TULSA OKLAHOMA 74103 USA
** :70    details of payment :
**        Invoice #'s, etc.
** :71A   detail of charges :
**        BEN
** :72    sender to receiver information :
**        /PHONBEN/
** -}
** {5: {MAC:A9409E94} Authentication Result
**     {CHK:212A9196CF1A} Checksum Trailer
**     {DLM:} Delayed Message}
** {S: {COP:P}
**     {SAC:}
**     {TRN:FQTF3Y46P013P}}
END
```

Document 7—Bill of Lading

COMBINED TRANSPORT
BILL OF LADING
NOT NEGOTIABLE UNLESS CONSIGNED "TO ORDER"

GENERAL AGENTS IN THE USA:
LEP PROFIT INTERNATIONAL, INC.

2. EXPORTER *(Principal or seller-licensee and address including ZIP Code)* **MAREX TRADING CORP.** **1422 LINDEN BLVD.** **CHARLOTTE, NC 28214**		5. DOCUMENT NUMBER **47093-21**	5a. B/L NUMBER **6934**
		6. EXPORT REFERENCES **CUST REF: 1624-08**	
3. CONSIGNED TO **TO THE ORDER OF** **CITIZENS NATIONAL BANK, SEOUL KOREA** **MARKED FREIGHT PREPAID AND NOTIFY** **ACCOUNTEE**		7. FORWARDING AGENT *(Name and address—references)* **FMC# 890R CHB# 12588** **LEP PROFIT INTERNATIONAL INC (TUL)** **1371 NORTH 108TH EAST AVENUE** **TULSA, OKLAHOMA 74116**	
		8. POINT (STATE) OF ORIGIN OR FTZ NUMBER **UNITED STATES OF AMERICA,** **CHARLOTTE, NC**	
4. NOTIFY PARTY/INTERMEDIATE CONSIGNEE *(Name and address)* **CO., LTD.** **PUSAN, KOREA**		9. DOMESTIC ROUTING/EXPORT INSTRUCTIONS **FREIGHTWAY TRUCKING CO.** FOR FOREIGN DELIVERY CONTACT:	
12. PRE-CARRIAGE BY	13. PLACE OF RECEIPT BY PRE-CARRIER **TULSA, OK**		
14. EXPORTING CARRIER **MING SUN V71B 71B**	15. PORT OF LOADING/EXPORT **HOUSTON PORT**	10. LOADING PIER/TERMINAL	
16. FOREIGN PORT OF UNLOADING *(Vessel and air only)* **BUSAN PORT, KOREA**	17. PLACE OF DELIVERY BY ON-CARRIER	11. TYPE OF MOVE **DOOR TO PORT**	11a. CONTAINERIZED *(Vessel only)* ☒ Yes ☐ No

MARKS AND NUMBERS (18)	NUMBER OF PACKAGES (19)	DESCRIPTION OF COMMODITIES (20)	GROSS WEIGHT (21)	MEASUREMENT (22)
FREIGHT PREPAID	**1**	**X40' CNTR** **Ctr#: GSTU834642-2 Seal#:**		
	1	**CONTAINER** **1EA BASIC NO. 4 MACHINE** **1SET STANDARD NECESSARY ACCESSARY. L/C#** **DATED DEC-30-1991 ISSUED BY THE** **CITIZENS NATIONAL BANK, SEOUL KOREA** **CLEAN ON BOARD 04/09/92**	**14000.0 #** **6350.2 K**	**1695.09 CF** **48.000 CM**
	1	**TOTALS**	**14000.0 #** **6350.2 K**	**1695.09 CF** **48.000 CM**
		FREIGHT PREPAID		
		THESE COMMODITIES LICENSED BY THE U.S. FOR **ULTIMATE DESTINATION KOREA, REPUBLIC OF** **DIVERSION CONTRARY TO U.S. LAW PROHIBITED.**		

EXCESS VALUATION: REFER TO CLAUSE 29 ON REVERSE SIDE

FREIGHT CHARGES PAYABLE AT: ORIGIN

BY: SHIPPER

RECEIVED FOR SHIPMENT as above in apparent good order and condition unless otherwise stated hereon, the goods described in the above particulars.

In accepting this Bill of Lading, the Merchant agrees to be bound by all the stipulations, exceptions, terms and conditions on the face and back hereof, whether written, typed, stamped, printed or otherwise incorporated.

IN WITNESS whereof THREE (3) original Bills of Lading (unless otherwise stated above) have been signed one of which being accomplished, the others shall be void.

AT PORT OF LOADING SHOWN ABOVE

By **LEP PROFIT INTERNATIONAL, INC.**
AGENT FOR THE MASTER

B/L No.	MO. DAY YEAR
0134OE92000058	04/09/92

FREIGHT DETAILS, CHARGES, ETC.	PREPAID	COLLECT
1.000 40' @ 3559.00000 OCEAN FRT.	3559.00	
TOTAL CHARGES	3559.00	

Document 8—Delivery Instructions

Date	**Export ref. no.**
03-25-93	1624-08

Carrier	**Location**	**Port of origin**
Freight Way Co.	Southhampton # One Pier	Norfolk, Virginia

B/L no.	**Arrival date**	
479558	04-09-93	Reliable Delivery Company

Deliver to ⇩	⇧ Pick up by
CONSOLIDATED IMPORT LTD. 753 Brantford Street London, ENGLAND SE1-7UE	The carrier to whom this order is assigned will be held responsible for any storage and demurrage charges resulting from negligence. Important: Notify us at once if delivery cannot be effected as instructed.

Marks and numbers	**Description of packages and goods**
Consolim London # 1/12	BOXES: Filter Plates and Assemblies

Customs permit

☒ Attached ☐ Lodged with US Customs

Documents attached	**Delivery charge**	
☐ Del. order ☐ DL ☐ Doc. rec. ☐	$ 177.50	BOX PKGS.

Document 9—Dock Receipt

(SPACES IMMEDIATELY BELOW ARE FOR SHIPPERS MEMORANDA—NOT PART OF DOCK RECEIPT)

DELIVERING CARRIER TO STEAMER: Freightway Co.	**CAR NUMBER—REFERENCE** BN-221
FORWARDING AGENT—REFERENCES Atlantic Forwarding Co., Inc., Norfolk, VA	**EXPORT DEC No.**

DOCK RECEIPT
NON-NEGOTIABLE

SHIPPER **MAREX TRADING CORP., 1422 Linden Blvd., Charlotte, NC, U.S.A.**

SHIP Newport America	**VOYAGE NO.** 557	**FLAG** U.S.A.	**PIER** # Five	**PORT OF LOADING** Norfolk
FOR PORT OF DISCHARGE Southhampton, ENGLAND			**For TRANSSHIPMENT to** London, ENGLAND	

PARTICULARS FURNISHED BY SHIPPER OF GOODS

MARKS AND NUMBERS	No. of PKGS	DESCRIPTION OF PACKAGES AND GOODS	MEASUREMENT	GROSS WEIGHT
Consolim London # 1/12	12	BOXES: Filter Platec and Assemblies	700'	4022 Kgs.

DIMENSIONS AND WEIGHTS OF PACKAGES TO BE SHOWN ON REVERSE SIDE

DELIVERED BY:

LIGHTER
TRUCK Freightway BN-221

ARRIVED— **DATE** 03-26-93 **TIME** 13:53

UNLOADED— **DATE** 03-26-93 **TIME** 15:29

CHECKED BY G. Vasquez

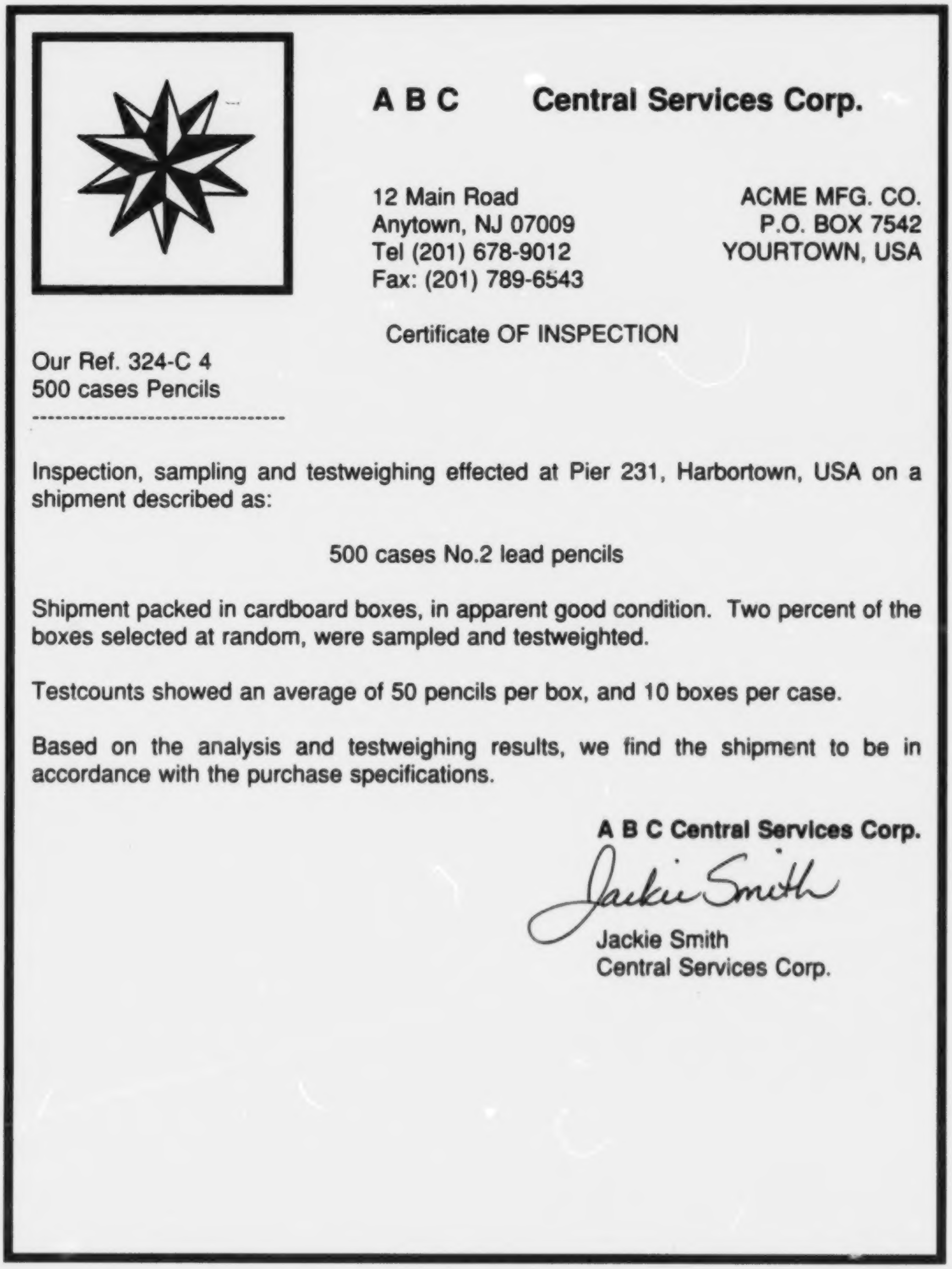
PLACED **IN SHIP** / **ON DOCK** **LOCATION** # Five Pier

AGENT FOR MASTER

BY L. Smith

DATE March 26, 1993

Document 10—Inspection Certificate



A B C Central Services Corp.

12 Main Road
Anytown, NJ 07009
Tel (201) 678-9012
Fax: (201) 789-6543

ACME MFG. CO.
P.O. BOX 7542
YOURTOWN, USA

Certificate OF INSPECTION

Our Ref. 324-C 4
500 cases Pencils

Inspection, sampling and testweighing effected at Pier 231, Harbortown, USA on a shipment described as:

500 cases No.2 lead pencils

Shipment packed in cardboard boxes, in apparent good condition. Two percent of the boxes selected at random, were sampled and testweighted.

Testcounts showed an average of 50 pencils per box, and 10 boxes per case.

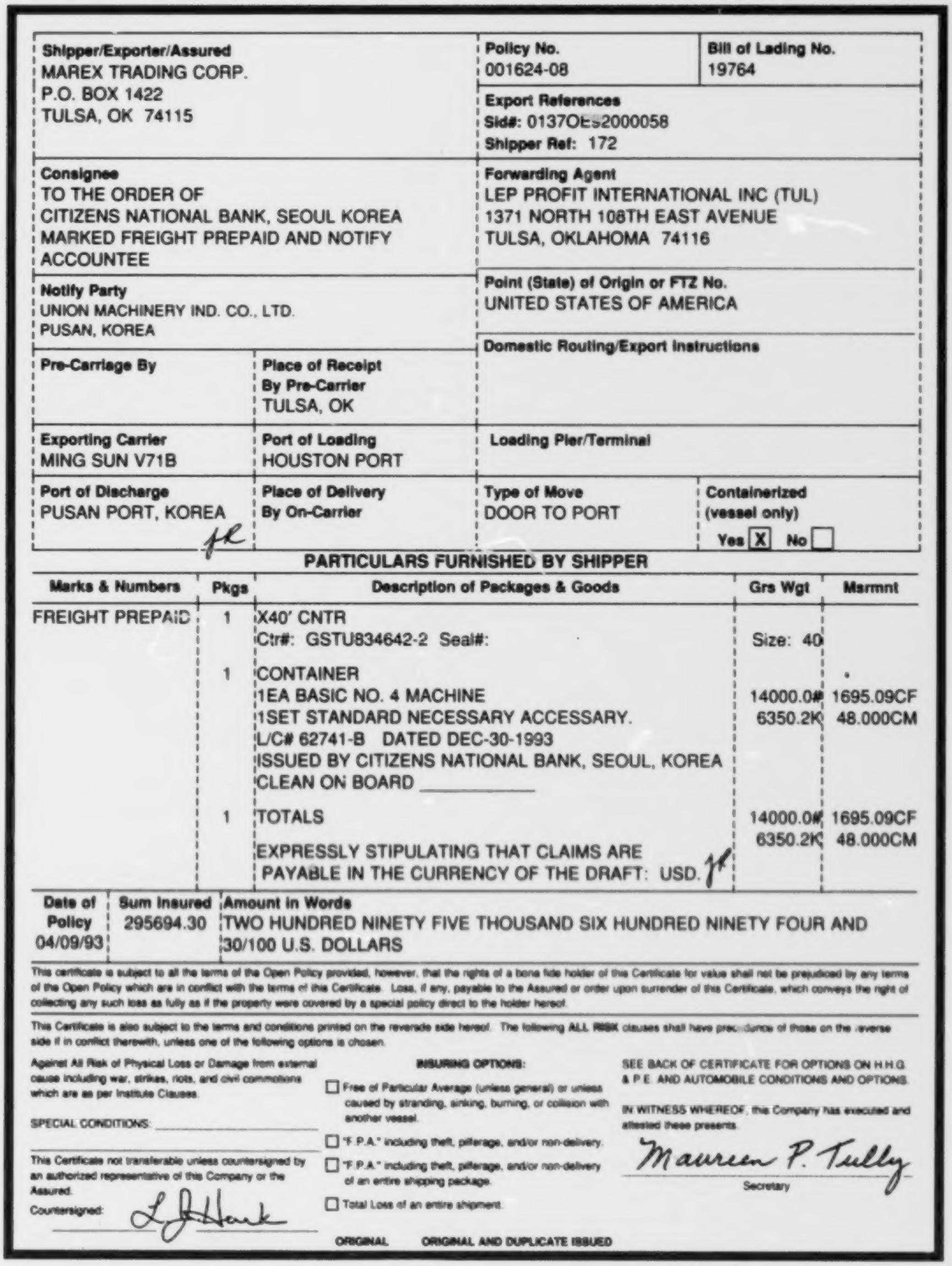
Based on the analysis and testweighing results, we find the shipment to be in accordance with the purchase specifications.

A B C Central Services Corp.

Jackie Smith

Jackie Smith
Central Services Corp.

Document 11—Insurance Certificate



Shipper/Exporter/Assured
MAREX TRADING CORP.
P.O. BOX 1422
TULSA, OK 74115

Policy No.
001624-08

Bill of Lading No.
19764

Export References
Sid#: 0137OES2000058
Shipper Ref: 172

Consignee
TO THE ORDER OF
CITIZENS NATIONAL BANK, SEOUL KOREA
MARKED FREIGHT PREPAID AND NOTIFY
ACCOUNTEE

Forwarding Agent
LEP PROFIT INTERNATIONAL INC (TUL)
1371 NORTH 108TH EAST AVENUE
TULSA, OKLAHOMA 74116

Notify Party
UNION MACHINERY IND. CO., LTD.
PUSAN, KOREA

Point (State) of Origin or FTZ No.
UNITED STATES OF AMERICA

Pre-Carriage By

Place of Receipt By Pre-Carrier
TULSA, OK

Domestic Routing/Export Instructions

Exporting Carrier
MING SUN V71B

Port of Loading
HOUSTON PORT

Loading Pier/Terminal

Port of Discharge
PUSAN PORT, KOREA JR

Place of Delivery By On-Carrier

Type of Move
DOOR TO PORT

Containerized (vessel only)
Yes ☒ No ☐

PARTICULARS FURNISHED BY SHIPPER

Marks & Numbers	Pkgs	Description of Packages & Goods	Grs Wgt	Msrmnt
FREIGHT PREPAID	1	X40' CNTR Ctr#: GSTU834642-2 Seal#:	Size: 40	
	1	CONTAINER 1EA BASIC NO. 4 MACHINE 1SET STANDARD NECESSARY ACCESSARY. L/C# 62741-B DATED DEC-30-1993 ISSUED BY CITIZENS NATIONAL BANK, SEOUL, KOREA CLEAN ON BOARD ___________	14000.0# 6350.2K	1695.09CF 48.000CM
	1	TOTALS EXPRESSLY STIPULATING THAT CLAIMS ARE PAYABLE IN THE CURRENCY OF THE DRAFT: USD. JR	14000.0# 6350.2K	1695.09CF 48.000CM

Date of Policy	Sum Insured	Amount in Words
04/09/93	295694.30	TWO HUNDRED NINETY FIVE THOUSAND SIX HUNDRED NINETY FOUR AND 30/100 U.S. DOLLARS

This certificate is subject to all the terms of the Open Policy provided, however, that the rights of a bona fide holder of this Certificate for value shall not be prejudiced by any terms of the Open Policy which are in conflict with the terms of this Certificate. Loss, if any, payable to the Assured or order upon surrender of this Certificate, which conveys the right of collecting any such loss as fully as if the property were covered by a special policy direct to the holder hereof.

This Certificate is also subject to the terms and conditions printed on the reverse side hereof. The following **ALL RISK** clauses shall have precedence of those on the reverse side if in conflict therewith, unless one of the following options is chosen.

Against All Risk of Physical Loss or Damage from external cause including war, strikes, riots, and civil commotions which are as per Institute Clauses.

SPECIAL CONDITIONS: ____________________

This Certificate not transferable unless countersigned by an authorized representative of this Company or the Assured.

Countersigned: L J Hank

INSURING OPTIONS:

☐ Free of Particular Average (unless general) or unless caused by stranding, sinking, burning, or collision with another vessel.
☐ "F.P.A." including theft, pilferage, and/or non-delivery.
☐ "F.P.A." including theft, pilferage, and/or non-delivery of an entire shipping package.
☐ Total Loss of an entire shipment.

SEE BACK OF CERTIFICATE FOR OPTIONS ON H.H.G. & P.E. AND AUTOMOBILE CONDITIONS AND OPTIONS.

IN WITNESS WHEREOF, the Company has executed and attested these presents.

Maureen P. Tully
Secretary

ORIGINAL **ORIGINAL AND DUPLICATE ISSUED**

Document 12—Packing List

TTD

PACKING LIST

SHIP TO: Zeus Tool Co.
1745 Ocean View Street
Capital City, Republic of Atlantis

THOMPSON TOOL DISTRIBUTORS, INC.
14 S. COLORADO BOULEVARD
DENVER, COLORADO 80000

BOX NO.	DESCRIPTION	NET WEIGHT	GROSS WEIGHT	BOX DIMENSIONS
1	Machine Tools Series 800, Model No. ZT-0489	91 lbs	102 lbs	5′ x 2′ x 3′
2	SAME	91 lbs	102 lbs	SAME
3	SAME	91 lbs	102 lbs	SAME
ZEUS	STEEL TOOLS MADE OF NON-STAINLESS STEEL, MODEL NO. ZT-0489			

Document 13—Certificate of Origin

CERTIFICATE OF ORIGIN

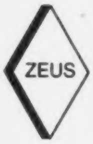
The undersigned T. Thompson (Owner or Agent)

for Thompson Tool Distributors, Inc., 14 S. Colorado Blvd., Denver, CO (Name and Address of Shipper) declares

that the following mentioned goods shipped on S/S Oceanbound (Name of Ship)

on the date of Nov. 4, 19XX consigned to order of shipper, blank endorsed

are the product of the United States of America.

MARKS AND NUMBERS	NO. OF PKGS., BOXES, OR CASES	WEIGHT IN LBS GROSS	WEIGHT IN LBS NET	DESCRIPTION
	3	273lbs	306lbs	STEEL TOOLS MADE OF NON-STAINLESS STEEL MODEL NO. ZT-0489

Sworn to before me

this THIRD day of November 19 XX

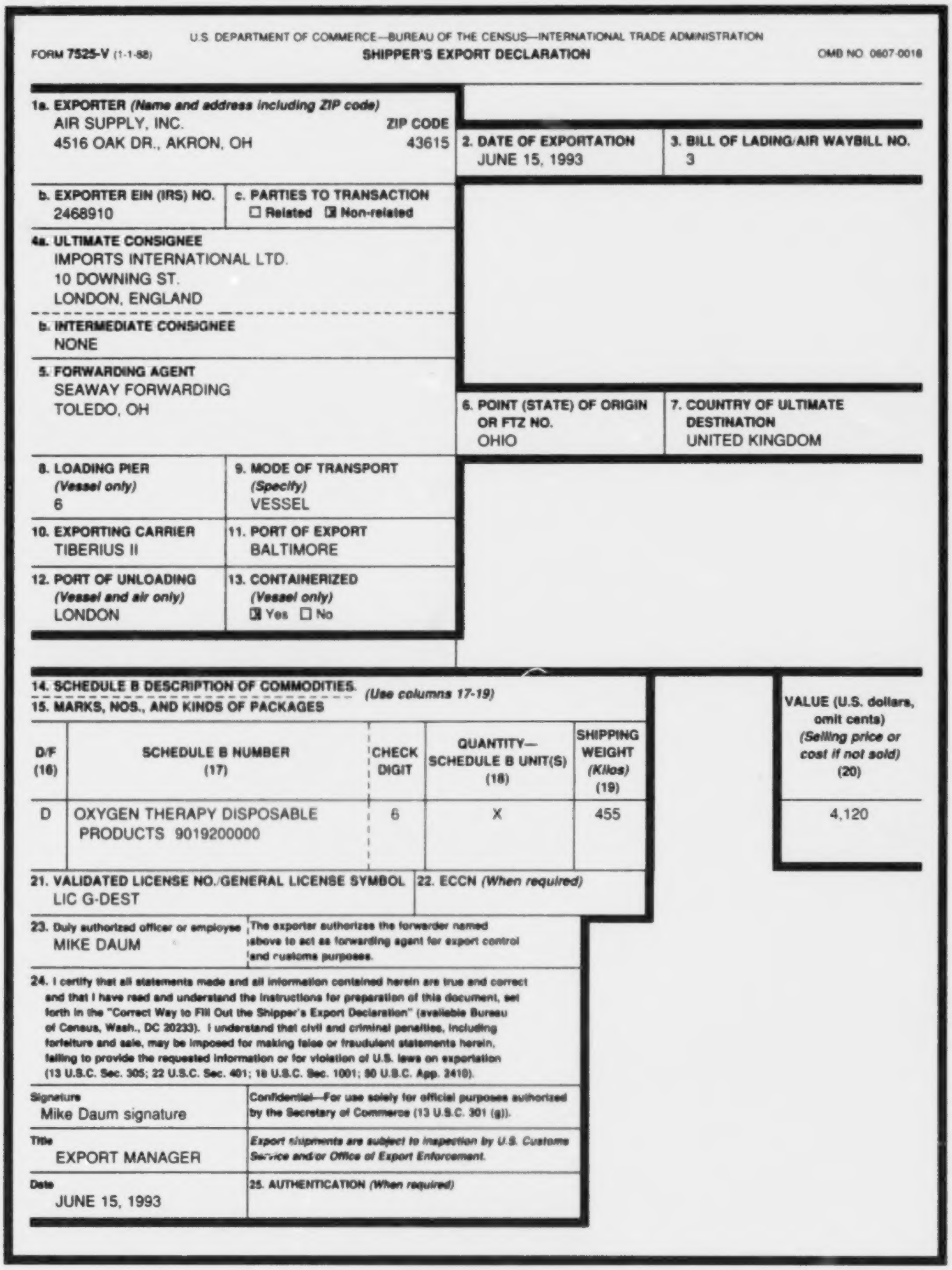
Dates at Los Angeles on the 3rd day of November 19 XX

T. Thompson
(Signature of Owner or Agent)

The Los Angeles Chamber of Commerce, a recognized Chamber of Commerce under the laws of the State of California, has examined the manufacturer's invoice or shipper's affidavit concerning the origin of the merchandise and, according to the best of its knowledge and belief, finds that the products named originated in the United States of North America.

Secretary Sam Greene
Sam Greene

Document 14—Export Declaration



U.S. DEPARTMENT OF COMMERCE—BUREAU OF THE CENSUS—INTERNATIONAL TRADE ADMINISTRATION

FORM **7525-V** (1-1-88)

SHIPPER'S EXPORT DECLARATION

OMB NO. 0607-0018

1a. EXPORTER ***(Name and address including ZIP code)***
AIR SUPPLY, INC.
4516 OAK DR., AKRON, OH
ZIP CODE 43615

2. DATE OF EXPORTATION JUNE 15, 1993

3. BILL OF LADING/AIR WAYBILL NO. 3

b. EXPORTER EIN (IRS) NO. 2468910

c. PARTIES TO TRANSACTION ☐ **Related** ☒ **Non-related**

4a. ULTIMATE CONSIGNEE
IMPORTS INTERNATIONAL LTD.
10 DOWNING ST.
LONDON, ENGLAND

b. INTERMEDIATE CONSIGNEE NONE

5. FORWARDING AGENT
SEAWAY FORWARDING
TOLEDO, OH

6. POINT (STATE) OF ORIGIN OR FTZ NO. OHIO

7. COUNTRY OF ULTIMATE DESTINATION UNITED KINGDOM

8. LOADING PIER ***(Vessel only)*** 6

9. MODE OF TRANSPORT ***(Specify)*** VESSEL

10. EXPORTING CARRIER TIBERIUS II

11. PORT OF EXPORT BALTIMORE

12. PORT OF UNLOADING ***(Vessel and air only)*** LONDON

13. CONTAINERIZED ***(Vessel only)*** ☒ Yes ☐ No

14. SCHEDULE B DESCRIPTION OF COMMODITIES. ***(Use columns 17-19)***
15. MARKS, NOS., AND KINDS OF PACKAGES

D/F (16)	SCHEDULE B NUMBER (17)	CHECK DIGIT	QUANTITY—SCHEDULE B UNIT(S) (18)	SHIPPING WEIGHT *(Kilos)* (19)	VALUE (U.S. dollars, omit cents) *(Selling price or cost if not sold)* (20)
D	OXYGEN THERAPY DISPOSABLE PRODUCTS 9019200000	6	X	455	4,120

21. VALIDATED LICENSE NO./GENERAL LICENSE SYMBOL LIC G-DEST

22. ECCN ***(When required)***

23. Duly authorized officer or employee MIKE DAUM

The exporter authorizes the forwarder named above to act as forwarding agent for export control and customs purposes.

24. I certify that all statements made and all information contained herein are true and correct and that I have read and understand the instructions for preparation of this document, set forth in the "Correct Way to Fill Out the Shipper's Export Declaration" (available Bureau of Census, Wash., DC 20233). I understand that civil and criminal penalties, including forfeiture and sale, may be imposed for making false or fraudulent statements herein, failing to provide the requested information or for violation of U.S. laws on exportation (13 U.S.C. Sec. 305; 22 U.S.C. Sec. 401; 18 U.S.C. Sec. 1001; 50 U.S.C. App. 2410).

Signature Mike Daum signature

Confidential—For use solely for official purposes authorized by the Secretary of Commerce (13 U.S.C. 301 (g)).

Title EXPORT MANAGER

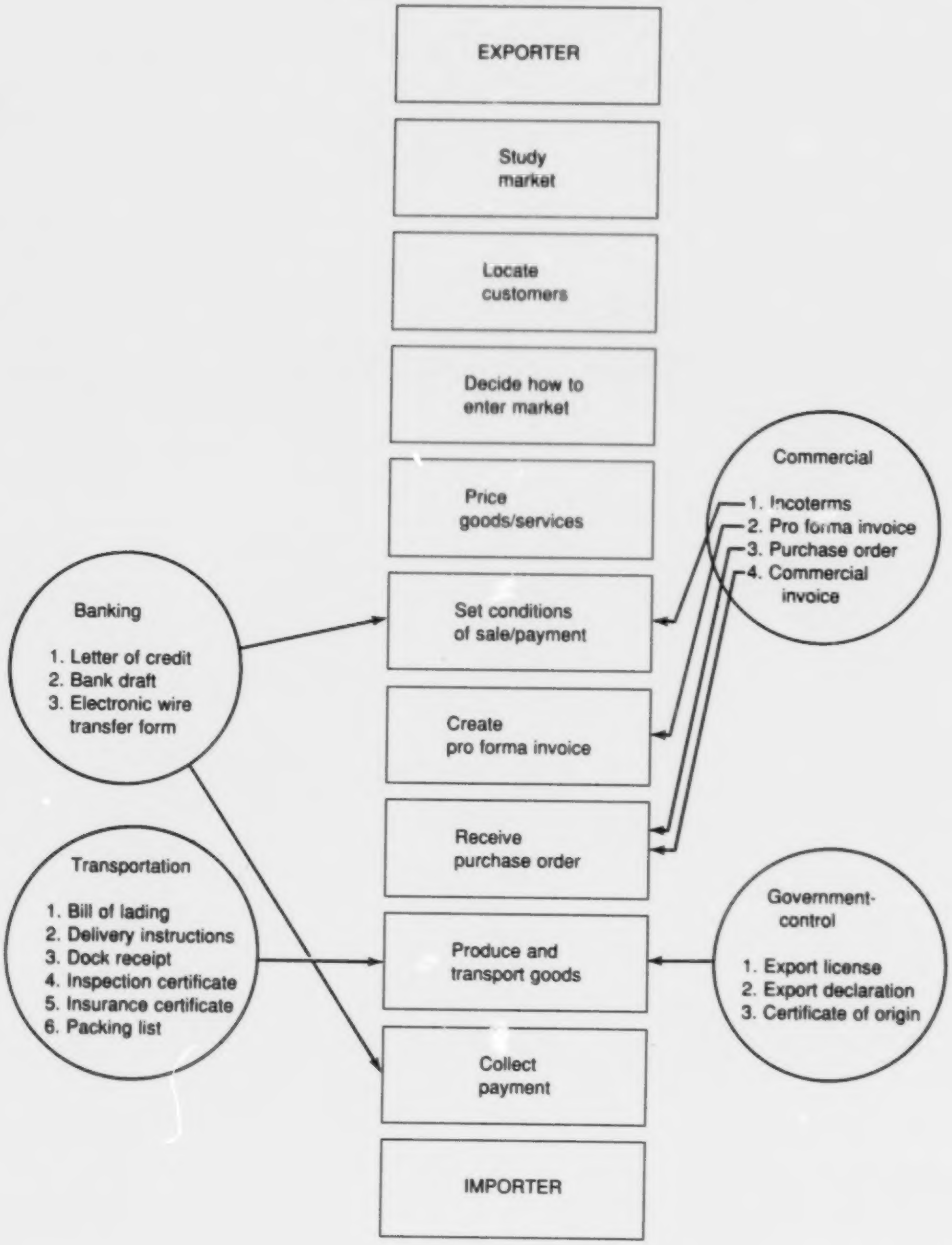
Export shipments are subject to inspection by U.S. Customs Service and/or Office of Export Enforcement.

Date JUNE 15, 1993

25. AUTHENTICATION ***(When required)***

Unit 4

Student Supplement 2—Documentation Flowchart


EXPORTER
Study market
Locate customers
Decide how to enter market
Price goods/services
Set conditions of sale/payment
Create pro forma invoice
Receive purchase order
Produce and transport goods
Collect payment
IMPORTER
Banking
1. Letter of credit
2. Bank draft
3. Electronic wire transfer form
Commercial
1. Incoterms
2. Pro forma invoice
3. Purchase order
4. Commercial invoice
Transportation
1. Bill of lading
2. Delivery instructions
3. Dock receipt
4. Inspection certificate
5. Insurance certificate
6. Packing list
Government-control
1. Export license
2. Export declaration
3. Certificate of origin

Import/Export Basics
Unit 4

Student Supplement 3—Resources Used in Import/Export Transactions

There are a number of resources available to assist U.S. importers and exporters alike in their quest for market and legal information, financial assistance, and other trade-related questions.

They fall into four categories:

1. Federal government
2. State government
3. International organizations
4. Private sector

Federal government

The federal government offers a number of programs and other resources to assist import and export activities. In addition, the federal government also enforces a number of rules and regulations with which importers and exporters must comply.

Agencies of the federal government involved in international trade and their functions are listed below:

1. U.S. Department of Commerce, 14th Street & Constitution Ave., NW, Washington, D.C. 20230—Government agency that supports domestic and international commercial activities of U.S. firms

    - **International Trade Administration** (ITA)—Commerce Department agency that provides information and counseling to U.S. businesses involved in international trade and assists U.S. exporters in locating and gaining access to foreign markets

    - **Bureau of Export Administration** (BXA)—Commerce Department agency that directs U.S. export controls, investigates breaches of U.S. export control laws, and administers anti-boycott provisions of U.S. law

    - **Center for International Research** (CIR)—Organization within the Commerce Department's Bureau of Census that maintains up-to-date worldwide demographic information plus economic data on selected countries

    - **U.S. Travel and Tourism Administration** (USTTA)—Commerce Department agency that promotes U.S. exports of goods and services in tourism by working with and encouraging the creation of small- and medium-size travel businesses

Student Supplement 3

- **National Center for Standards and Certificates Information** (NCSCI)—Organization within the Commerce Department's National Bureau of Standards that houses standard-related information necessary for U.S. goods to conform to foreign national requirements

- **National Oceanic and Atmospheric Administration** (NOAA)—Agency that assists seafood exporters by providing trade leads, market research, and sales seminars

2. **Small Business Administration** (SBA), 1441 L Street NW, Washington, D.C. 20416—Government agency that serves U.S. businesses interested in international trade through its Office of International Trade

   - **Office of International Trade**—SBA department that offers export counseling, training, legal advice, market information, market matching, financial assistance, and resource publications

3. **Foreign Agriculture Service** (FAS), 14th Street & Independence Avenue SW, Washington, D.C. 20250—The principal government agency for boosting U.S. farm exports through trade shows and trade groups, marketing programs, and export credits

   - Commodity marketing programs

   - Export credits

4. **Export-Import Bank of the United States** (EXIMBANK), 811 Vermont Avenue NW, Washington, D.C. 20571—Government agency that supports export of U.S. goods and services through several loan-guarantee and insurance programs

5. **U.S. Department of State**, 2201 C Street NW, Washington, D.C. 20520—Government agency that provides the primary source of foreign information for the federal government

6. **Overseas Private Investment Corporation** (OPIC), 1615 M Street NW, Washington, D.C. 20527—Government agency that promotes economic growth in developing countries by encouraging U.S. private investment, insures U.S. investment projects against a broad range of political risks, and sponsors direct loans and loan-guarantee programs

7. **Agency for International Development** (AID), 320 21st Street NW, Washington, D.C. 20523—Government agency that administers assistance programs in more than 60 developing countries using U.S.-produced goods and services purchased with AID-assistance funds.

8. **The Trade and Development Program** (TDP), 309-SA-16, Washington, D.C. 20523—Government agency that finances project-planning studies in developing countries that are potential markets for U.S. goods and services

Student Supplement 3

9. **U.S. Customs Service**, 1301 Constitution Avenue NW, Washington, D.C. 20229—An agency within the Department of Treasury that is charged with enforcing U.S. laws at the country's borders with respect to goods entering or leaving the country

10. **Maritime Administration** (Department of Transportation), 400 Seventh Street SW, Washington, D.C. 20590—Government agency that is responsible for developing and maintaining a merchant marine capable of meeting defense and commercial trade requirements of the U.S., and for providing consultation for maritime transportation problems

11. **U.S. Postal Service** (USPS), 475 L'Enfant Plaza SW, Washington, D.C. 20260—Government agency that assists with designing international services for postal needs and information regarding postal requirements for specific countries

12. **U.S. Trade Representative** (USTR), 600 17th Street NW, Washington, D.C. 20506—An agency of the Executive Branch of the U.S. Government that coordinates and sets trade policy; and is the chief U.S. representative at the General Agreement on Tariffs and Trade (GATT)

State government

1. **Alabama**, Alabama Development Office, State Capitol, Montgomery, AL 36130

2. **Alaska**, Governor's Office of International Trade, 3601 C Street, Suite 798, Anchorage, AK 99503

3. **Arizona**, Department of Commerce, International Trade Division, Capitol Tower, 1700 West Washington Street, Phoenix, AZ 85007

4. **Arkansas**, Industrial Development Commission, Marketing Division, One State Capitol Mall, Little Rock, AR 72201

5. **California**, California World Trade Commission, 1121 L Street, Suite 310, Sacramento, CA 95814

6. **Colorado**, Office of Economic Development, International Trade Office, 1625 Broadway, Suite 650, Denver, CO 80202

7. **Connecticut**, Department of Economic Development, International Division, 210 Washington Street, Hartford, CT 06106

8. **Delaware**, Delaware Development Office, World Trade Section, 820 French Street, Wilmington, DE 19801

9. **District of Columbia**, Office of International Business, 1250 Eye Street NW, Suite 1003, Washington, D.C. 20005

Student Supplement 3

10. **Florida**, Bureau of International Trade and Development, Department of Commerce, 107 West Gaines Street, Tallahassee, FL 32299

11. **Georgia**, Georgia Department of Industry and Trade, Trade Division, 230 Peachtree Street NW, #650, Atlanta, GA 30303

12. **Hawaii**, International Service Branch, Department of Business and Economic Development, P.O. Box 2359, Honolulu, HI 96804

13. **Idaho**, Idaho International Business Development Division, 700 West State Street, Boise, ID 83720

14. **Illinois**, Department of Commerce and Community Affairs, International Division, State of Illinois Center, Suite 3-400, 100 West Randolph Street, Chicago, IL 60601

15. **Indiana**, International Trade Division, One North Capitol Street, Suite 700, Indianapolis, IN 46204

16. **Iowa**, Department of Economic Development, International Trade, 200 East Grand Avenue, Des Moines, IA 50309

17. **Kansas**, Department of Commerce, Trade Development Division, 400 SW 8th Street, Suite 500, Topeka, KS 66603

18. **Kentucky**, International Marketing Division, Kentucky Commerce Cabinet, Capitol Plaza Tower, 24th Floor, Frankfort, KY 40601

19. **Louisiana**, Office of International Trade, Finance & Development, P.O. Box 9185, Baton Rouge, LA 70804

20. **Maine**, Maine World Trade Association, 77 Sewell Street, Augusta, ME 04330

21. **Maryland**, Maryland Office of International Trade, World Trade Center, 7th Floor, 401 East Pratt Street, Baltimore, MD 21202

22. **Massachusetts**, Massachusetts Office of Trade and Investment, 100 Cambridge Street, Suite 902, Boston, MA 02202

23. **Michigan**, Michigan Export Development Authority, P.O. Box 30017, 4th Floor, North Ottawa Building, Lansing, MI 48909

24. **Minnesota**, Minnesota Trade Office, 1000 World Trade Center, 30 East 7th Street, St. Paul, MN 55101

25. **Mississippi**, Department of Economic Development, Marketing Division, P.O. Box 849, Jackson, MS 39205

Student Supplement 3

26. **Missouri**, Department of Economic Development, International Business Division, P.O. Box 118, Jefferson City, MO 65102

27. **Montana**, Business Assistance Division, Department of Commerce, 1424 9th Avenue, Helena, MT 59620

28. **Nebraska**, Department of Economic Development, P.O. Box 94666, Lincoln, NE 68509

29. **Nevada**, Nevada Commission on Economic Development, Capitol Complex, Carson City, NV 89710

30. **New Hampshire**, New Hampshire Small Business Development Center, International Trade Association, 400 Commerce Street, Room 311, Manchester, NH 03101

31. **New Jersey**, Department of Commerce, Energy & Economic Development, Division of International Trade, 100 Mulberry Street, Gateway 4, 10th Floor, Newark, NJ 07102

32. **New Mexico**, Trade Division, 1100 St. Francis Drive, Santa Fe, NM 87503

33. **New York**, State Department of Economic Development, Division of International Commerce, 1515 Broadway, New York, NY 10036

34. **North Carolina**, North Carolina Department of Commerce, 430 North Salisbury Street, Room 2056, Raleigh, NC 27611

35. **North Dakota**, Economic Development Commission, Liberty Memorial Building, Bismarck, ND 58505

36. **Ohio**, Ohio Department of Development, International Trade Division, P.O. Box 1001, Columbus, OH 43266

37. **Oklahoma**, Oklahoma International Export Services, 6601 Broadway Extension, Oklahoma City, OK 73116

38. **Oregon**, Economic Development, International Trade Division, One World Trade Center, Suite 300, 121 SW Salmon, Portland, OR 97204

39. **Pennsylvania**, Bureau for International Development, Forum Building, Room 489, Harrisburg, PA 17120

40. **Puerto Rico**, Program of Foreign Trade, P.O. Box S-4275, San Juan, PR 00905

41. **Rhode Island**, Department of Economic Development, Marketing Division, 7 Jackson Walkway, Providence, RI 02903

42. **South Carolina**, State Development Board, International Division, P.O. Box 927, Columbia, SC 29202

43. **South Dakota**, Governor's Office of Economic Development, Foreign Trade Division, Capitol Lake Plaza, Pierre, SD 57501

44. **Tennessee**, Office of Export Trade Promotion, 320 6th Avenue North, 7th Floor, Rachel Jackson Building, Nashville, TN 37219

45. **Texas**, Department of Commerce, Office of International Trade, P.O. Box 12728, Austin, TX 78711

46. **Utah**, International Division, Department of Economic Development, 6150 State Office Building, Salt Lake City, UT 84114

47. **Vermont**, Agency for Development and Community Affairs, International Trade Division, 109 State Street, Montpelier, VT 05602

48. **Virginia**, Department of World Trade, 6000 World Trade Center, Norfolk, VA 23510

49. **Washington**, Department of Trade, 312 First Avenue North, Seattle, WA 98109

50. **West Virginia**, International Division, Governor's Office of Community and Industrial Development, 146 State Capitol Complex, Room M, Charleston, WV 25305

51. **Wisconsin**, Wisconsin Department of Development, Bureau of International Trade, 123 West Washington Avenue, P.O. Box 7970, Madison, WI 53707

52. **Wyoming**, International Trade Office, Herschler Building, 3rd Floor, East Cheyenne, WY 82002

In addition, many universities and colleges have centers for international trade, or international programs departments that offer opportunities to obtain information on specific nations. Also, chambers of commerce from many cities maintain international business files as well as information on nations doing business with firms in their jurisdiction.

International organizations

1. **The United Nations** (UN), New York, NY 10017—Organization that provides useful information, brochures, and reports for firms interested in international trade

2. **The World Bank**, 1818 H Street, NW, Washington, D.C. 20433—International bank that lends funds, provides advice, and seeks international investment in developing countries

Student Supplement 3

3. **The Organization of Economic Cooperation and Development** (OECD), 2001 L Street, NW, Suite 700, Washington, DC 20036

Private sector

1. **International Chamber of Commerce** (ICC), 38, Cours Albert, 1 er, 75008 Paris, France—Worldwide business organization that represents 7,500 companies in 100 nations
2. **American Association of Exporters and Importers** (AAEI), 11 West 42nd Street, New York, NY 10036—Organization that offers expertise on a wide range of trade matters in the global arena
3. **The Federation of International Trade Associations** (FITA), 1851 Alexander Bell Drive, Reston, VA 22091—Organization that promotes trade and U.S. exports through a network of businesses engaged in export
4. **World Trade Centers Association** (WTCA), One World Trade Center, 55th Floor, New York, NY 10048—Organization of 160 World Trade Centers that provide publications and on-line data for members seeking international trade information
5. **The National Council on International Trade and Documentation** (NCITD), 350 Broadway, Suite 205, New York, NY 10013
6. **National Customs Brokers and Forwarders Association of America** (NCBFAA), One World Trade Center, Suite 1153, New York, NY 10048—Organization that provides its membership with a directory of freight forwarders and customs brokers
7. **National Association of Export Companies** (NEXCO), 71 Murray Street, New York, NY 10007—Organization that sends inquiries from businesses seeking export opportunities to member firms
8. **The Chamber of Commerce of the United States**, 1615 H Street, NW, Washington, D.C. 20062—Organization that provides information as basic as getting started in business to information on expanding into the world market

Import/Export Basics
Unit 4

Assignment Sheet 1—Analyze Import/Export Scenarios to Determine Type of Risk Described

Name ______________________________ Overall rating ____________

Evaluation criteria	**Rating**
Directions have been followed	______
Four out of five answers are correct	______

Introduction

As you studied in Objective 6 of the information sheet, any international import/export transaction carries with it certain risks because of the distances involved, language barriers, and a host of other variables. Your goal in this assignment sheet is to analyze the following scenarios and apply the definitions you learned in the information sheet.

Exercise

Directions

After reviewing the definitions in Objective 6 of the information sheet, read each of the following scenarios and on the blanks provided name the type of risk described.

1. Readypipe, Inc., had agreed to ship 32,000 feet of 4-inch pipe to a drilling company in Kuwait. The pipe was to be paid for upon delivery. While the pipe was in transit across the Atlantic Ocean, through the Mediterranean Sea and the Suez Canal, down the Red Sea, and around the Indian Ocean to the Persian Gulf, Iraq invaded Kuwait and took control of all transportation, banking, and business operations. The pipe was delivered, but it was immediately confiscated by the Iraqi army and was never seen again. Readypipe, Inc., never collected for its pipe shipment.

   Name the type of risk involved in this scenario.

   ____

2. The Gourmet Wine Shop had enjoyed a booming business through the 1980s and early 1990s selling expensive foreign wines in a major U.S. city to gourmet chefs, fine restaurants, and individuals interested in high-quality recreational dining. Most of the shop's customers preferred the light, white wines produced in French vineyards. In late 1992, the U.S.

Assignment Sheet 1

government proposed a 200 percent tariff on French wine because of a long-standing disagreement between French and U.S. farmers over government subsidies paid to French farmers for their soybeans and other oil crops. Immediately, a rush developed on French wines when consumers feared a stiff price hike and possibly future government embargoes against the French wine. Although demand was brisk, the Gourmet Wine Shop was faced with turning away customers when supplies ran out. And, with the bulk of its customers purchasing the French wines, the shop faced a very uncertain future—through no fault of its own.

Name the type of risk involved in this scenario.

____

3. A representative of Powerbelt, a manufacturer of drive belts for industrial machinery, agreed to supply a Brazilian firm with 4000 V-belts to be used in a number of new factories being built near Brasilia. A price was agreed upon and a contract signed. Appropriate financial transactions were made including a letter of credit from the Brazilian importer's bank guaranteeing payment upon delivery and based on transportation on ships owned by MariFreight, International, a shipping line operated by the Brazilian bank. The belts were produced and delivered to the U.S. port for export, but because of eagerness to complete the deal, Powerbelt contracted its own carrier, a private freight line, to carry the cargo to Brazil on faster ships than those used by MariFreight. Although the Brazilian letter of credit called for a May 15 delivery date, the belts actually arrived May 10—five days early.

   Despite the early arrival and the timely delivery of the order, the Brazilian bank refused to pay for the shipment because the details of the letter of credit were not followed concerning the carrier of the shipment. Powerbelt found itself facing weeks of legal wrangling because of the situation.

   Name the type of risk involved in this scenario.

   ____

Assignment Sheet 1

4. A $40,000 shipment of Texas pecans was contracted by a German candy maker who had to exchange 50,000 German marks for $40,000 U.S. dollars to finalize the deal. Three days after the transaction, the mark gained in value against the U.S. dollar to the point the same transaction would have only cost the candy maker 40,000 marks—10,000 fewer than three days earlier.

   Name the type of risk involved in this scenario.

   ____

5. A small seed-corn producer in Iowa agreed to ship four hundred 100-pound sacks of hybrid corn to a Guatemalan farmer. The corn was to be shipped on pallets, wrapped in plastic, and banded to prevent weather damage if it were exposed to rain or wind. The shipment was made and the corn was delivered to a Guatemalan port of entry, but the farmer who ordered the corn had filed for bankruptcy shortly after making the order and refused to accept the corn. With no one to claim it, the corn sat in a warehouse, unattended, where mice and rats destroyed the wrapping material and ruined a large portion of the shipment.

   Name the type of risk involved in this scenario.

   ____

Import/Export Basics
Unit 4

Assignment Sheet 2—Analyze Import/Export Scenarios to Determine Type of Incoterm Described

Name ______________________________ Overall rating ____________

Evaluation criteria	**Rating**
Directions have been followed	______
Eight out of ten answers are correct	______

Introduction

Business transactions involving the shipment of goods across international borders must have a standardized system and language to overcome any cultural or linguistic misunderstandings. To accomplish this uniformity in global trade, the International Chamber of Commerce created a list of International Commerce Terms (incoterms) to provide a common language for the terms of sale between nations. You studied the descriptions of these terms in Objective 7 of the information sheet. Your goal in this assignment is to analyze the following scenarios and apply the descriptions you learned in the information sheet.

Exercise

Directions

Review the descriptions of terms of sale (incoterms) presented in Objective 7 of the information sheet, and study each of the following scenarios. Then, on the blanks provided, name the term of sale described in each scenario.

1. You are the manufacturer of small domestic home appliances, such as toasters, coffeemakers, and can openers. You have received an inquiry from a small and politically unstable nation in the former Soviet Union, where ethnic friction is great and civil war could break out soon. The foreign agent seeking your product wants to make a sizable purchase from your company and has arranged financing. You are still not convinced a civil war will not erupt at any time and seriously jeopardize the acceptance and/or payment for the goods once they are shipped.

   Name the incoterm you would use in this transaction.

   ____

Assignment Sheet 2

2. Your company makes high-quality, expensive fireworks that are used in community and commercial celebrations. Because of the reputation your firm has for dependable products, you prefer to use air freight to ship the fireworks from their point of manufacture in Macau, China, to their destinations. Still, you have many customers who want your products but refuse to pay air-freight charges. You know it would be better to ship by air, but to maintain your customer base of those who want cheaper oceangoing-vessel transportation, you sell and ship using an incoterm that relieves you of responsibility as soon as the fireworks are loaded on a ship.

   Name the incoterm you would use.

   ____

3. As a sales representative for an international grain-marketing firm, you receive an inquiry about the purchase of 30,000 metric tons of No. 2 hard-red winter wheat from a nation in the Middle East. Because of various U.S.-government regulations, you are required to use a ship of U.S. registry with a U.S. crew to deliver the grain. Once the shipment arrives, however, you know from previous experience the unloading facilities and the longshore workers at the destination are less than efficient and have been known to lose or spoil much of other shipments. You are confident the grain will arrive safely at the port of destination, but you are unwilling to take responsibility for any unloading or subsequent handling of the grain.

   Name the incoterm you insist on in the sales contract.

   ____

4. Your family shoemaking business has been quite successful in markets in the U.S., but you realize you have excess production capacity for the domestic demand. Therefore, you are trying to sell your shoes abroad to increase your production volumes, thereby driving down the overall cost of doing business. You are particularly interested in penetrating the Italian market and have made contact with a broker there who is interested in importing some of your hiking shoes. However, the broker realizes your desire to enter the Italian market and insists on your company's bearing full cost of shipping and customs charges before signing a formal contract with you.

Assignment Sheet 2

Name the incoterm the broker will want to see on the contract.

____

5. You are the owner of a scrap-metal business that specializes in iron and steel collected along the West Coast of the U.S. Your business is located on San Francisco Bay, near several large international shipping piers. Several Japanese firms have approached you about buying large lots of scrap metal, but your firm is small and has never been involved in international business dealings. Because you do not want to become involved in shipping costs, and because the Japanese have suggested you drop your price enough to partially cover the shipping, you finally work out a compromise. You will deliver, at your expense, the scrap metal to the shipping pier only a few miles away. The Japanese will be responsible for all costs associated with loading and transporting the metal to their desired destination.

   Name the incoterm you would specify in this sale.

   ____

6. As a Canadian canoe maker specializing in wooden-frame, birch-bark canoes, you have built a highly successful business selling high-quality reproductions of the earliest boats known in North America. Because of government subsidies for manufacturers using rail transportation, you ship your canoes directly from your factory exclusively by a railroad spur running into your factory yard. All shipping charges are paid by the purchasers of the canoes.

   Name the incoterm you would attach to the sales price of your canoes in your catalog.

   ____

7. As the sales manager for a heavy-equipment manufacturer, you have signed a contract to deliver 10 road graders to a Dutch firm. In the contract, you have agreed to pay shipping on the machines and unloading costs once they arrive in Amsterdam. You have not agreed to pay any customs charges, however.

   Name the incoterm you would attach to your sales contract.

   ____

Assignment Sheet 2

8. You have purchased an order of tulip bulbs from a grower in the Netherlands. To meet your sales deadlines for the bulbs, you have purchased them for a price based on the incoterm FOB airport. Describe where the grower's responsibility for the bulbs ends, and where your responsibility for the bulbs begins.

____

____

____

____

____

9. You agree to an international business transaction in which the seller pays the cost of freight to the destination of your choice, but you are responsible for any damage or cost increases incurred during transit.

   Name the incoterm that is likely to be on the sales contract.

____

10. A U.S. auto-parts manufacturer agrees to ship a load of miscellaneous parts to a Canadian distributor. In the contract, the incoterm specified calls for the U.S. firm to be responsible for the parts until they are delivered to the freight dock of a local trucking line that travels into Canada.

    Name the incoterm specified in the contract.

____

Import/Export Basics
Unit 4

Assignment Sheet 3—Interpret Import/Export Documents

Name ______________________ Overall rating __________

Evaluation criteria	Rating
Directions have been followed	______
Answers are all correct	______

Introduction

In any given import/export transaction, a large number of documents are required to efficiently and legally move goods from one nation to another. In this assignment, you will become familiar with the various categories of those documents and their function in the import/export paper trail.

Exercise

Directions

Review the categories and types of import/export documents presented in Objectives 8 and 9 of the information sheet, and study the sample documents presented in Student Supplement 1. Then, read and answer each of the following items.

1. Use the sample pro forma invoice (Document 1 in Student Supplement 1) to answer the following questions.

   a. What is the total price estimate of the export order as it is quoted delivered (FAS) Yokohama?

   ____

   b. What currency does this invoice specify as acceptable payment?

   ____

   c. What is the total cost of this export transaction as estimated by this pro forma invoice?

   ____

Assignment Sheet 3

2. Use the sample letter of credit (Document 4 in Student Supplement 1) to answer the following questions.

   a. How much and what kind of currency are specified by this letter of credit?

   ____

   b. What is the description of the specific commodity being purchased in this transaction?

   ____

   c. When must this order be shipped?

   ____

   d. What three documents must be presented in order for the buyer to take possession of the goods?

   (1) ________________________________

   (2) ________________________________

   (3) ________________________________

   e. On what date does this letter of credit expire?

   ____

3. Use the sample electronic wire transfer form (Document 6 in Student Supplement 1) to answer the following questions.

   a. What are the amount and type of currency specified in the transfer?

   ____

   b. Which bank transmitted the transfer of funds?

   ____

   c. Which bank received the funds?

   ____

Assignment Sheet 3

d. What was the date of the transfer?

____

4. Use the sample insurance certificate (Document 11 in Student Supplement 1) to answer the following questions.

   a. What company is the exporter in this transaction?

   ____

   b. What is the date of the policy?

   ____

   c. For what amount (in words) is the shipment insured and in what currency?

   ____

   d. What is the point of origin of this shipment?

   ____

5. Use the sample shipper's export declaration form (Document 14 in Student Supplement 1) to answer the following questions.

   a. What goods are being shipped?

   ____

   b. What oceangoing vessel is carrying this shipment?

   ____

   c. What value has been placed on this shipment?

   ____

   d. What date was the shipment exported?

   ____

   e. What is the destination of the shipment?

   ____

Import/Export Basics
Unit 4

Assignment Sheet 4—Analyze a Local Business' Export Transaction

Name ______________________ Overall rating ____________

Evaluation criteria	**Rating**
Directions have been followed	______
Content of information provided in Part A is relevant and well thought out	______
Verbal content of group presentation in Part B is relevant and well thought out/visuals are clear and effective	______

Introduction

Every state has a number of businesses involved in exporting goods/services. Nearly all states have agencies organized to assist with economic development through international trade, and a number of other resources are available for those interested in entering the global market as exporters. In this assignment, you will become more familiar with the exporting activities in your local area and how those activities affect your community and state's economy.

Exercise

Part A **Identify local businesses involved in exporting**

Directions

Study the information provided in Student Supplement 2, "Documentation Flowchart," and Student Supplement 3, "Resources Used in Import/Export Transactions." Also, review the information presented in Objectives 9 through 11 of the information sheet. Then, your instructor will divide your class into groups.

Each group will

1. Contact appropriate state or local agencies involved in economic development and international trade to compile a list of the products your state or local community exports.
2. Identify a product your group wishes to study.
3. Identify and list businesses in your state or the local community that export this product.

Assignment Sheet 4

4. Turn in your lists to your instructor and work with him or her to identify business(es) appropriate for your group to contact.

Part B **Analyze export transaction**

Directions After consulting your instructor to determine business(es) appropriate for your group to contact, each group will

1. Schedule one individual from one of these businesses to come to the class and be interviewed by your group about his or her company's purposes and processes of exporting. If desired, use the suggested interview outline on the next page during the group interview.

2. After the interview, each group will prepare a class presentation concerning their findings. The verbal portion of the class presentation should explain the reasons why the business exports its product. The class presentation should also contain the following visual elements:

    - A world map marked with push pins indicating the destinations for the product exported by the business whose representative your group interviewed.

    - A flowchart showing the steps the business used to accomplish one export sale and shipment of the product the business produces. (This export chart should include notations of the documentation used at the various steps in the export process. Use Student Supplement 2 as a model for this flowchart.)

Assignment Sheet 4

Suggested interview outline

1. What are the typical markets for your product?
2. Do you export this product directly, or indirectly? Why?
3. What other areas or nations are producing similar products and are in competition with your business in the international market?
4. How important is exporting to your business?
5. How do your export sales affect the U.S. consumer and the nation's overall balance of trade?
6. Why do people seek out your products to import?
7. Describe an export transaction recently completed by your business.
8. What forms of documentation were used in this export transaction?
9. What incoterms were used in this transaction? Why?
10. What methods of communication (mail, telephone, FAX, Telex, etc.) were used during this transaction?
11. What mode(s) of transportation were used to deliver the product from your business to the destination in this transaction?

Import/Export Basics
Unit 4

Assignment Sheet 5—Analyze a Local Business' Import Transaction

Name ______________________________ Overall rating ______________

Evaluation criteria	Rating
Directions have been followed	______
Content of information provided in Part A is relevant and well thought out	______
Content of group presentation is relevant and well thought out	______

Introduction

Imported goods have become common in our society, with the global market reaching nearly everyone every day in some way. Even in your own community, there are those who deal in imported goods and are familiar with some aspects of international trade. In this assignment, you will get to know some of these people and explore why and how they import goods.

Exercise

Part A **Identify local businesses involved in importing**

Directions

Study the information provided in Student Supplement 2, "Documentation Flowchart," and review the information presented in Objectives 9 through 11 of the information sheet. Then, your instructor will divide your class into groups.

Each group will

1. Select from the following list the business type your group wishes to study.
    - An auto dealer specializing in foreign-produced vehicles
    - A shoe store
    - A photo-equipment store
    - An electronics store specializing in audio and video equipment
    - An ethnic food market (Asian, Latin American, etc.)

Assignment Sheet 5

2. Identify and list specific businesses in your local community of this type.

3. Turn in your lists to your instructor and work with him or her to identify businesses appropriate for your group to contact.

Part B **Analyze import transaction**

Directions After consulting your instructor to determine a business appropriate for your group project, each group will

1. Schedule one individual from one of these businesses to come to the class and be interviewed by your group about his or her company's purposes and processes of importing. If desired, use the suggested interview outline on the following page during the group interview.

2. After the interview, each group will prepare a class presentation concerning their findings. The verbal portion of the class presentation should explain the reasons why the business imports its product. The class presentation should also contain the following visual elements:

   - A world map marked with push pins indicating the point(s) of origin for the product imported by the business whose representative your group interviewed.

   - A flowchart showing the steps the business used to accomplish one import transaction. (This chart should include notations of the documentation used at the various steps in the import process. Use Student Supplement 2 as a model for this flowchart.)

Assignment Sheet 5

Suggested interview outline

1. What are the typical place(s) of origin for the product you import? Why does it make a difference that the product comes from this place?
2. Do you import this product directly, or indirectly? Why?
3. Are there U.S. products that would serve as well? Why or why not?
4. How important is importing to your business?
5. How do your import sales affect the U.S. consumer and the nation's overall balance of trade?
6. Why do people seek out your establishment to purchase imported goods?
7. Describe an import transaction recently completed by your business.
8. What forms of documentation were used in this import transaction?
9. What incoterms were used in this transaction? Why?
10. What government or private agencies assisted you in this transaction? What was the nature of their assistance?
11. What methods of communication (mail, telephone, FAX, Telex, etc.) were used during this transaction?
12. What mode(s) of transportation were used to deliver the product to your business from the point of origin in this transaction?

Import/Export Basics
Unit 4

Assignment Sheet 6—Plan an Export Sale

Name ______________________________ Overall rating ____________

Evaluation criteria	**Rating**
Directions have been followed	_____
Content is relevant and well thought out	_____

Introduction

Before any firm sells products to buyers in other nations, much research is needed, legal and regulatory subjects must be addressed, financial backing arranged, and arrangements made to carry the goods from the point of origin to the desired destination. In this assignment, you will plot the course for an export sale from the moment an inquiry is received until the goods are delivered.

Exercise

Directions

In Unit 2, Assignment Sheet 5, you profiled an assigned nation within a major international trade region, and in Unit 3, Assignment Sheets 3 and 5, you profiled that nation's economy and financial system. Review the information you collected in these assignments as well as the information presented in this unit.

Next, read and study the scenario presented on the following page.

Then, write an essay that discusses each of the following points concerning your business as described in the scenario and your assigned country.

- The cultural and political climate in your assigned country.
- The relative risks of doing business in a country with this cultural and political climate.
- The resources you will consult to assist you in your decision-making process.
- The modes of transportation available to ship your goods to that nation and on to your customer.
- The various licenses you will need.

Assignment Sheet 6

- The documentation you will encounter.
- The specific export risks that apply to this transaction and terms of sale you must have to control these risks.
- The steps you must take to move your product from your production point to the customer in your assigned country.

Scenario

You own a small business that manufactures highly processed snack foods made of pork by-products and spices.

You have watched your company grow as local demand has boomed for your snacks. Your business is successful and profitable, and you have adequate management and production skills to keep the operation moving smoothly.

Additional business in the form of export sales would help you cut costs by increasing the volume in your processing plant. Your finances are adequate, but not unlimited, and you think the business could be damaged by undo risk in an international venture, so you are very cautious about entering the global market.

You have just received an inquiry letter from a potential customer in the nation to which you have been assigned, and now, you must decide how to go about filling that order, and what you must do to successfully supply the goods and receive the payment you must have.

Import/Export Basics
Unit 4

Assignment Sheet 7—Analyze Current Events Concerning Issues Relevant to Import/Export Procedures and Documentation

Name ______________________________ Overall rating ____________

Evaluation criteria	Rating
Directions have been followed	_____
Content is relevant and well organized	_____

Portfolio Assignment

Introduction

Over the years, a uniform method of import/export activity has evolved around a standard set of documents and procedures. As you studied this unit, you became aware of the steps involved in international business transactions and learned the need for the seemingly endless stream of paperwork that surrounds each purchase or sale. Your goal in this assignment sheet is to explore how these topics are affecting international trade today.

Exercise

Directions

You are to collect a minimum of five current articles containing information about important import/export transactions, changes in documentation, or the activities of various resource groups as they apply to international trade.

Write a report in which you analyze the content of the articles you have collected. Clearly state the main topic and summarize the contents of each article.

Your instructor will provide you with guidelines explaining the format of the finished report. This assignment will be collected and retained in a portfolio that will become a record of the progress you have made in your study of international trade.

International Marketing
Unit 5

Objective Sheet

Unit objective

After completing this unit, the student should be able to identify the parts of and evaluate an international marketing plan. The student will demonstrate these competencies by completing the assignment sheets and by scoring a minimum of 85 percent on the written test.

Specific objectives

After completing this unit, the student should be able to

1. Define the term *marketing.*
2. Define the components of a marketing mix.
3. Define the term *marketing plan.*
4. Arrange in order the steps in developing an international marketing plan.
5. Match the components of an international marketing plan to their correct descriptions.
6. List types of sources providing international marketing information.
7. Evaluate an international marketing plan. (Assignment Sheet 1)
8. Analyze current events concerning international marketing efforts. (Assignment Sheet 2)

International Marketing
Unit 5

Information Sheet

1. **Definition of *marketing***—Systematic method of planning and producing goods/services to meet the needs and wants of consumers and to make a profit

2. **Components of a marketing mix and their definitions**

   - **Product**—Goods/services to be produced and sold

   - **Price**—Amount needed to cover the cost of manufacturing the goods/services, conducting general business-administration activities, and providing a profit

   - **Place**—Point at which the ownership or benefit of the goods/services changes hands

   - **Promotion**—Methods used so that customers will learn about the goods/services and their potential benefits to them

     Note: Promotion can range from word-of-mouth testimonials and point-of-sale brochures to radio, television, and newspaper advertising.

   - **People**—Personnel involved in all marketing steps—from production through distribution and final consumption of the goods/services

     Note: Without people, there would be no one to produce the goods/services and no consumers for the goods/services.

3. **Definition of *marketing plan***—List of objectives and an estimate of the time, effort, and resources needed to effectively market goods/services in a target market

4. **Steps in developing an international marketing plan** (see Figure 1)

   Note: Most successful multinational firms and companies use the five-step format presented below as a somewhat standardized blueprint for constructing an international marketing plan. See Student Supplement 1, "Steps in Developing an International Marketing Plan," for a more complete discussion of each of the following steps.

   - **Step 1:** Analyze marketing mix

     Note: During this step, the present marketing mix is analyzed in terms of *the five Ps of marketing*: product, price, place, promotion, and people.

   - **Step 2:** Conduct market analysis of target country

Information Sheet

Note: During this step, the target country is analyzed as to its economic, social, and political conditions and the quantity and quality of competition already present there. Simply stated, the business determines what can be sold in the target country, where and to whom it can be sold, and for what price and in what quantities it can be sold.

- **Step 3:** Select entry strategy for marketing goods/services in target country

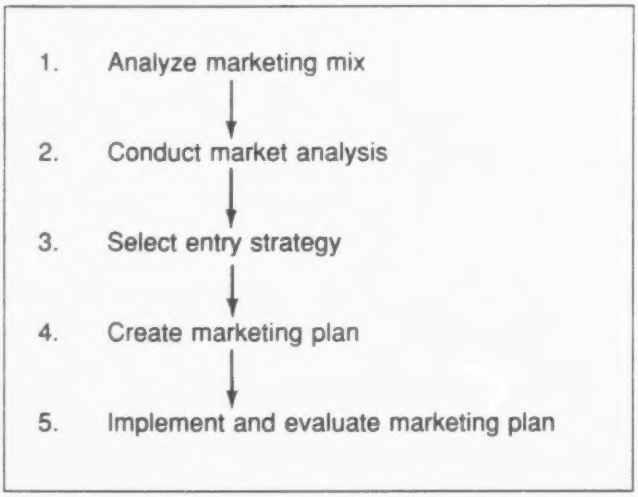
Note: Types of entry strategies for a market in a target country include passive marketing (selling goods/services to brokers, agents, or other intermediaries who, in turn, sell within the target country), active marketing (actively selling goods/services in the target country), joint ventures, and direct investments. Each has its place in the evolution of an export-oriented business.

- **Step 4:** Create marketing plan for target country

Note: As you learned in Objective 3, a marketing plan is a list of objectives and the time, effort, and resources needed to accomplish them. Developing the marketing plan for a target country includes narrowly defining (segmenting) a target market, positioning the product to compete with others in the market, and altering the marketing mix to fit the needs, desires, and culture of the consumer in the target country.

- **Step 5:** Implement and evaluate marketing plan

Figure 1: Marketing flowchart



Information Sheet

5. Components of an international marketing plan and their descriptions

Note: The formats of international marketing plans are as variable as the companies constructing them. Although each company will set the specifications of its own marketing plan, a typical plan includes at least the following elements in some form.

- **Management summary**—One- or two-page report providing an overview of the key points of the marketing plan; used for briefing top management

- **Situation analysis**—Two-part report containing (1) an analysis of the goods/services' strengths and weaknesses and opportunities and problems in the target country and (2) an assessment of what the competition is doing to market similar goods/services in the target country

- **Specific marketing objectives**—Listing of the quantitative objectives (those things that can be counted, such as profit, sales volume, market share, and return on investment) and qualitative objectives (those things for which measurement is imprecise, such as improved public relations, long-term customer loyalty, etc.) to be considered in the marketing plan

- **Marketing strategy**—Two-part report describing (1) market segmentation (breaking down the population of the target country into highly defined market segments and selecting segments that can be addressed by the goods/services and the promotional message) and (2) product positioning (definition of the promotional efforts to present the goods/services in a favorable light to the selected target segments)

Example of market segmentation:	Rather than offer sewing machines to all residents of the U.S., a company targets its product and product promotion to individuals who have the time, skill, money, and inclination to sew.
Example of product positioning:	Once the company has targeted individuals who have the time, skill, money, and inclination to sew, it directs its promotional efforts at making the product more desirable to the selected segment than similar products made by the competition.

- **Budgets and controls**—Report describing the projected income and expenses for the current year and a number of projected years; used as a measure of the marketing plan's performance as time passes

Information Sheet

- **Action program**—Detailed report focusing on the marketing mix; provides specific plans and timetables; assigns responsibilities; and summarizes promotional campaigns, advertising programs, changes or additions to distribution channels, and pricing policies

  Note: With the rapidly changing fortunes of some nations in the former Soviet Union and emerging economies in Africa and Southeast Asia, a number of firms are finding it necessary to offer financing packages to sell their products to customers in these nations. Such packages might include the arrangement of third-party guarantees of loans to make the purchases, rebates to cover the cost of transportation, or the extending of credit for initial payments on purchased goods.

6. **Types of sources providing international marketing information**

- **Government agencies**

  Examples: U.S. Bureau of Census, U.S. Bureau of Labor Statistics, U.S. Department of Commerce, Federal Trade Commission, U.S. Small Business Administration, U.S. Department of Agriculture

- **Government-agency publications**

  Examples: *Annual Survey of Manufacturers* (U.S. Department of Commerce), *Business Statistics* (Office of Business Economics), *Census of Manufacturers* (U.S. Bureau of Census), *Survey of Current Business* (Office of Business Economics)

- **Commercial research firms**

  Examples: Arthur Anderson, Inc.; A.C. Nielsen; Arbitron; Audit Bureau of Circulation; Dunn and Bradstreet; IMS (pharmaceutical data); Market Research Corp. of America

- **Commercial publications**

  Examples: *Advertising Age, Business Horizons, Business Week, Forbes, Fortune, Harvard Business Review, Wall Street Journal*

International Marketing
Unit 5

Student Supplement 1—Steps in Developing an International Marketing Plan

Many times, when the word *marketing* is used, the speaker is referring to *selling* a product. To many people, the terms *marketing* and *selling* are interchangeable, but selling is only a small part of the larger system of marketing.

Some people define *marketing* as "a systematic method of planning and producing goods/services to meet the needs and wants of consumers and to make a profit." The marketing plan provides the framework for the *planning* required in marketing. So, let us look at the steps in developing an international marketing plan.

Step 1—Analyze marketing mix

In general, there are five major components to a marketing mix and they make up what is called *the five Ps of marketing*: product, price, place, promotion, and people.

The marketing mix can be illustrated using the example of a small steel mill.

1. What **product** will be offered? Will steel be produced in I-beams for construction purposes, fence posts, pipe in various sizes, or sheet metal for auto and appliance manufacture? What about supplying defense contractors with steel made to military specifications?

2. What **prices** will be charged to ensure a reasonable profit and a competitive place in the market? Will production orders be executed on credit? Will domestic customers receive a price break over those from outside the country? Will rebates be offered for large orders?

3. In what **place** will the mill's products be sold? Will there be a sales staff canvassing users of steel? Will the steel be delivered or available only at the mill?

4. What **promotional** efforts will be used to inform customers of the products available from the mill—trade shows, national trade magazine advertising, sales-staff calls, or a mixture of these?

5. What **people** will be essential in the marketing mix? All parts of the marketing mix are operated and managed by people, so the personnel aspect of a business is very important to economic success. How many employees will be needed to efficiently produce the steel in a profitable manner? Will the mill be unionized? What salaries and other compensation should be considered in projecting business costs for foreign and domestic operations?

Student Supplement 1

Any changes or modifications in one component of the marketing mix alter or affect the others. For instance, as salaries go up for **people**, the returns on a given **pricing** structure drop. If a new product is offered by the mill but not **promoted** to customers who need and can pay for the steel, little increase in business will take place. Or, if only "cash" sales will be offered, it is unlikely the mill will compete well in international business.

Marketing techniques are practiced daily in the United States and around the world. Sales and profits in foreign markets represent a large part of the marketing structure of many U.S. firms. In fact, Coca-Cola, Dow Chemical, Gulf, Hoover, ITT, Mobil, Otis Elevator, and Pfizer all have more than half of their sales and profits from foreign markets. Also, Honda and Kawasaki build vehicles in the U.S., Michelin makes tires in several U.S. factories, and a number of other well-known companies such as Shell Oil, Bantam Books, Lever Brothers, and Capitol Records are all owned by foreign corporations.

So, whether it is a small steel mill operating in a small U.S. town, or a multinational company dealing in hundreds of countries, the considerations of marketing are the same. Decisions must be made concerning the following.

- The **product** mix. How much, what kind, what color, what packaging, etc.?

- The **pricing** mix. What can be charged in the target market? What are competitors charging? What can the potential customer pay? How much must be charged to defray the increased cost of doing business internationally? What financing is available and how will it be used?

- **Place** (or physical distribution). How will the product be distributed to the potential market? How will it be delivered or placed in the hands of the customer? What types of sales will be used—mail order, telephone, or direct door-to-door sales with distribution through agents, wholesalers, or retailers?

- **Promotion** mix. How will the product be promoted in the target market? Are there radio, television, or newspaper outlets available, and do potential customers use these media outlets? What restrictions apply to advertising in the country selected as a market; what cultural forces impact the type of advertising that can be used?

- **People**. From production of the product through export channels and final sales, what people will be vital to the process? What qualifications will be required of employees? What responsibilities will be left to agents and brokers in other nations? Will employees be sent to other nations to handle sales and service? Who are the customers who will be buying the product?

All of these questions must be answered before a firm planning to enter the international market can construct its marketing plan.

Student Supplement 1

Once a firm has learned about the five Ps of marketing—product, price, place, promotion, and people—it might believe "marketing is marketing" no matter where one plans to do business. Although such a belief is primarily correct, the differences in governments, cultures, and languages make international marketing a somewhat more complex issue.

Step 2—Conduct market analysis of target country

Economic conditions. One of the first considerations when targeting a foreign country in which to do business is the overall condition of the economy and market. To succeed in the international market, a firm must offer products that can be purchased by the customers in the target country. People must have **adequate incomes and economic development** or they cannot purchase goods/services from abroad.

Income distribution. Income distribution is another consideration in the market analysis. How many people have the money to purchase the goods a firm wishes to export? In many less-developed nations, the bulk of the wealth is held by only a few of the nation's richest people. In most cases, a marketer will seek business dealings in countries where the wealth is divided among many consumers.

Also, certain small countries have entered into agreements with their neighbors to provide common barriers to trade with nations outside their area. This **economic integration** is an important part of market planning, particularly as marketers review the legal and paperwork requirements of doing business in these areas. One of the most famous examples of this integration is the European Economic Community. Others include the Latin American Integration Association, the Central American Common Market, and the Afro-Asian Organization for Economic Cooperation.

Political conditions. The laws concerning business practices and the politics of a target country play a vital part in the eventual success of trade with that nation. The overall stability of the government and its relationship to its neighbors and potential trading partners are of extreme importance to the willingness of investors to risk their money in pursuing international trade there. For instance, is there ethnic friction within the nation? Is the current regime expected to remain in power in the foreseeable future?

Also, the amount of **protectionism** practiced by the nation is a valid concern of exporters wishing to sell in the domestic market. Are there tariffs, quotas, or other administrative measures such as endless amounts of fees, paperwork, and bureaucratic "rubber stamping" designed to discourage imports?

What are the specific **marketing controls** in effect in the target country? In some countries, the words used in advertising are specifically controlled by the government; in others, certain products cannot be sold; in some countries, stores are only open on certain days; and in some places, price controls make it impossible to profit from international sales. For instance, in Kuwait, it is illegal to advertise air travel, chocolate, alcohol, and many other goods/services.

Student Supplement 1

Cultural conditions. As discussed in earlier units, the laws and buying habits of any nation are products of the culture. The language, norms, folkways, and taboos of a country selected as an international trading partner must be taken into consideration. These subjects include everything from translations of brand names (such as the General Motors *Nova* automobile, which translates "no go" in Spanish) to the religious prohibition of eating pork or beef in some nations.

Business customs and practices, too, are very important considerations. In the Far East, for instance, female executives are not credible with managers. In Japan, business meetings must include much more small talk and social discussion than many U.S. executives feel are necessary before the business agenda is dealt with. And, in some parts of the world, bribery that is strictly forbidden by U.S. law is part of everyday business dealings.

Competitive conditions and international marketing. A marketer seeking a place in the international market must be keenly aware of what competition is present. Many firms have been successful in the international market because they have made it their business to know their customers and adapt their promotional messages and products to the needs and desires of the international market segments they serve. Others, who have not been so successful, many times ignored the differences in the cultures, and needs, and desires of potential customers. A good example of this might be the many years U.S. automakers refused to build automobiles with steering wheels on the right side for export to Japan and other nations whose drivers drive on the left side of the road.

Step 3—Select entry strategy for marketing goods/services in target country

Passive exporting. In passive exporting, a firm sells its goods/services to agents, brokers, or other intermediaries in the target market. In this case, no real effort is needed to market the product; the agent is the primary customer and resells the goods/services to nationals in his or her own country.

Active exporting. Active exporting can also involve intermediaries and agents, but it is the result of a decision by the producer of goods/services to actively sell in the target country. Such activity involves more investment in market research, export personnel, etc., but it also offers greater profits if it is successful.

Joint ventures. A joint-venture business agreement (an agreement in which firms from two nations cooperate to produce goods/services with shared investments) requires a much higher degree of involvement in the international market because production begins to shift to the target country. No longer are all products made and shipped from the producer's own nation.

Direct investment. This strategy involves the most financial commitment to the international market because it requires a company to invest its own funds into building or buying production facilities in the foreign country. Some of the multinational firms involved in direct investment include IBM, Kodak, General Motors, and Honda.

Student Supplement 1

Step 4—Create marketing plan for target country

Segmenting market. Defining the markets most likely to demand a firm's product may be the most important planning process involved in entering the international market. Although geographic boundaries can many times serve the marketer as a "natural" market-segmenting tool, there are considerable instances in which cultural differences are more important than geographic location. For instance, French-speaking Quebec is much more likely to identify with the culture and norms of France than it is with its neighbors in Canada and the U.S. Also, Australia and New Zealand, although in the Far East, are quite similar to Western Europe and Canada in popular thought and culture.

Positioning products. Product positioning depends upon how a firm's product is viewed by the potential customers. In some countries, Coca-Cola is viewed as highly superior to the very similar Pepsi Cola, while in the U.S., the two drinks share about the same number of loyal customers. Fifteen years ago, Japanese Fuji film was viewed as less expensive and lower in quality than Kodak film. Now, however, Fuji film is perceived in the international market as a lower-priced equivalent to Kodak's high-quality, high-price product.

Marketing (mix programs). Given legal, cultural, and linguistic differences between nations, an international marketer has three choices in dealing with products and their promotion in target countries.

- In the first choice, the product is not changed in any way from its original domestic form, nor are the promotional messages aimed at selling it. This choice is very rarely made, except in the case of technical equipment or manufacturing tools.

- In the second choice, the product is adapted to local tastes and desires, but the promotional material remains the same as that used in the country of origin. Coca-Cola uses very similar promotional messages around the world, but blends its products somewhat differently to fit the tastes of different consumers. Also, many appliance manufacturers design their products to operate on various voltages and frequencies of household electrical current to ensure their products will be accepted in various nations. In the U.S., for instance, common household current is alternating current rated at 110 volts at 60 Hertz (cycles per second). In many European nations, however, common household current is 220 volts and 50 Hertz.

- In the third choice, the product can sometimes remain the same, but the promotional material is radically changed to adapt to local conditions. Changing the promotional material usually means more than a mere language translation; it usually means creating new approaches to sell the same product. For example, the maker of centrifugal pumps may sell solely to oil producers in the Middle East, while in nations without petroleum reserves, the pumps may be sold to farmers and cities to furnish irrigation and drinking-water pressure.

Step 5—Implement and evaluate marketing plan

As with domestic marketing, the forecasts (financial projections) and plans adopted in a marketing plan are used to measure the success or failure of a marketing effort. In international trade, however, the process becomes more complex because of the differences in foreign exchange rates, the distances between manufacturers and consumers, and the problems with communication.

Also, many firms in the global market use **annual operating plans** derived from plans developed each year by their company's representatives in each target country. This plan becomes the central control document of the business, and may undergo several reviews during the year for periodic changes in planning of production, pricing, marketing mix, and promotional activities.

International Marketing
Unit 5

Student Supplement 2—International Marketing Information Resources

- **U.S. government agencies**

Bureau of Census
Bureau of Labor Statistics
Congressional Information Service
Consumer Product Safety Commission
Department of Labor
Department of Health, Education, and Welfare
Environmental Protection Agency
Federal Reserve System
Federal Trade Commission
Food and Drug Administration
National Center for Educational Statistics
National Center for Health Statistics
National Technical Information Service
Office of Business Economics
Small Business Administration
Statistical Reporting Service, United States Department of Agriculture
United States Postal Service

- **U.S. government-agency publications**

American Statistical Index	Congressional Information Service
Annual Survey of Manufacturers	Department of Commerce
Business Statistics	Office of Business Economics
Catalog of U.S. Census Publications	Bureau of Census
Census of Manufacturers	Bureau of Census
Census of Population	Bureau of Census
Census of Retail Trade, Wholesale Trade, and Selected Service Industries	Bureau of Census
Census of Transportation	Bureau of Census
County and City Data Book	Department of Commerce
Federal Reserve Bulletin	Federal Reserve System
Monthly Labor Review	Bureau of Labor Statistics
Monthly Urban Review	Bureau of Labor Statistics
Statistical Abstracts of the United States	Department of Commerce
Vital Statistics Report	Health, Education, and Welfare

Student Supplement 2

- **Commercial research firms**

A.C. Nielsen	Information on broadcast viewers and listeners
Arbitron	Information on broadcast listeners
Audit Bureau of Circulation	Information on readership and circulation of magazines and other publications
Audits and Surveys	
Dunn and Bradstreet	Information on accounting, media surveys
IMS	Pharmaceutical data
Market Research Corp. of America	
National Family Opinion	
R.L. Polk	Mailing lists, automobile data
Simmons	Readership information
Standard Rate and Data Service	Advertising readership information
Starch	Readership information

- **Commercial publications**

Advertising Age
Business Horizons
Business Week
California Management Review
Chain of Store Age
Columbia Journal of World Business
Editor & Publisher's Market Guide
Fortune
Graphic Guide to Consumer Markets
Harvard Business Review
Journal of the Academy of Marketing Science
Journal of Advertising
Journal of Advertising Research
Journal of Business
Journal of Consumer Research
Journal of Marketing
Journal of Marketing Research
Journal of Retailing
Journal of Small Business Management
MSU Business Topics
Nielsen Researcher
Progressive Grocer
Rand McNally Commercial Atlas and Marketing Guide
Sales and Marketing Management
Stores
University of Michigan Business Review

International Marketing
Unit 5

Assignment Sheet 1—Evaluate an International Marketing Plan

Name ______________________________ Overall rating ____________

Evaluation criteria	**Rating**
Directions have been followed	_____
Content is relevant and well organized	_____

Introduction

Many firms see international marketing as a way to expand their sales and profits, but they fail to realize these benefits when they actually attempt international trade. Many times, these firms fail to conduct a market analysis, write a marketing plan, or devote sufficient funds to their international marketing efforts. Yet, those firms that expend the effort and money to plan and study their markets do realize the benefits from participating in international trade.

Your goal in this exercise is to read and evaluate a firm's international marketing planning and detail changes that should be made in that planning to make the firm's product more salesworthy in an international market.

Exercise

Directions

In Unit 2, Assignment Sheet 5, you profiled an assigned nation within a major international trade region; in Unit 3, Assignment Sheets 3 and 5, you profiled that nation's economy and financial system; and in Unit 4, Assignment Sheet 6, you planned an export sale for your assigned nation. Review the information you collected in these assignments as well as the information presented in this unit.

Next, read and study the scenario presented on the following pages.

Then, write an essay that discusses each of the following points concerning the firm's marketing planning as described in the scenario and your assigned country.

- How well the product will be received in your assigned country.

Assignment Sheet 1

- How effective the marketing plan will be in your assigned country.
- How you would change the product and the marketing planning to make the product more salesworthy in your assigned country.

Scenario

ArcticAire Refrigerators, Inc., is a family-owned, U.S.-based business located in Highlander, Michigan, a small industrial port town on Lake Michigan. Top management consists of a father, the founder of the company, and his son and daughter. Business decisions are generally made after weekly meetings of the three managers, with the father usually casting the deciding vote in contested matters.

The sole product of the company is a compact "personal" refrigerator with a storage volume of 2 cubic feet, a small freezing compartment with a single plastic ice-cube tray, no light, and a magnetically locking single door. The ArcticAire refrigerator comes in black or white, with a dark-walnut or light-blond wood-veneer finish on the door. The company logo is a red, white, and blue map of the U.S. with a large winter-looking storm blowing down from where Canada should be. The refrigerator weighs 40 pounds, operates on 110-volt household alternating current, and costs $125 to produce.

In the U.S., many ArcticAire refrigerators have been sold to college students who use them in their apartments and dormitory rooms, but sales have begun dropping as similar refrigerators made in Taiwan, Japan, and Singapore have become top sellers in discount stores with retail prices ranging from $99 to $139. The ArcticAire carries a manufacturer's suggested retail price of $165 and is sold only in franchise hardware stores.

As sales began lagging, the management of ArcticAire became convinced the only way to remain profitable would be to expand markets through exports. "If Chinese, Indonesians, and Japanese can sell in this country, we should be able to sell all around the world, too," the founder commented. And so, the small U.S. firm set out to tap the international market for the refrigerators that were not selling in the U.S.

Assignment Sheet 1

Because ArcticAire had pioneered the U.S. manufacture of the small refrigerator in the 1960s, most of the design and engineering costs had long since been paid back as thousands of the little refrigerators had been sold in that time. And, because the firm was small with only limited cash reserves, the decision was made to further amortize (gradually reduce) tooling and production costs by continuing to manufacture the same refrigerator at the same production rates, only those units that did not sell in the U.S. would be sold internationally.

Transporting the refrigerators would not be a problem since ArcticAire was located in a port town on the lower Great Lakes. Adequate maritime transportation was available through the lakes and the St. Lawrence Seaway into the North Atlantic Ocean. Throughout its history, however, ArcticAire had shipped most of its product by rail or truck to warehouses across the U.S. and had never used the waterway to move goods. Still, the opportunity was there. "After all," the family reasoned, "what difference does it make whether you put your products on a truck, train, or a boat?"

In the past, to promote the ArcticAire refrigerator, the family had cooperated with the franchise hardware chains to purchase local newspaper advertising in the towns where franchise stores were located. Generally, however, most of these promotional efforts had been handled by a now-deceased member of the family. Current accounts remained active and little additional attention was required to maintain the flow of refrigerators to the warehouses. Still, they were not selling as well as they had.

After a family meeting in which the son and daughter argued that a market research firm should be hired as a consultant to help ArcticAire enter the international market, the older member of the family refused "to spend money for outsiders to tell me what to do."

Instead, he demanded, the company would begin a mail-order business to sell the refrigerators. By using the mail, ArcticAire would not have to "waste money running all over the world" like other companies do.

By placing monthly advertisements in various large newspapers around the world, the company could introduce the ArcticAire refrigerator to global customers as a genuine "made in the U.S.A." product that reflects "American pride, Christian values, and high-tech craftsmanship." The advertisements would explain that the ArcticAire was a perfect size for cooling two six-packs of beer at a time, plus it could hold a half dozen ham sandwiches for "those autumn football afternoons." In November and December, the

Assignment Sheet 1

advertising could show the ArcticAire being used to store Thanksgiving Day leftovers and cool Christmas-party beverages. In the summer, the advertising would concentrate on Memorial Day, July 4th, and Labor Day uses of a personal refrigerator. In months not directly connected to holidays or other seasonal events, the advertising would include technical explanations of how the ArcticAire is handcrafted of American steel and uses the popular Freon-22 expanding refrigerant made famous by DuPont. "We'll even go down to the university to get some of the language teachers there to translate our advertising so foreigners can read it," he concluded.

As an added dimension to the advertising campaign, ArcticAire would include a paragraph in each advertisement asking for people interested in becoming ArcticAire dealers to contact the ArcticAire factory. Using responses from these ads, ArcticAire would propose a 10 percent discount to potential dealers who purchased 50 or more refrigerators for resale. Over time, this could lead to greater sales as dealers in different countries begin ordering refrigerators to sell in their local markets. Also, it would allow ArcticAire to create its own sales network without the cost or the frustration of dealing with foreign brokers and agents already in the distribution business.

Customers could order the refrigerators by mail, using credit-card order forms, personal checks, or U.S. currency. Also, telephone credit-card orders would be taken at the Michigan factory from 8 A.M. until 5 P.M. Monday through Friday. The price would remain at $165 FOB ship, Highlander, Michigan, U.S.A., and the buyer would be responsible for paying shipping and insurance charges from that point on. Once an order was received, ArcticAire would guarantee shipping from the factory within 24 hours, and delivery time could range from 10 days in Canada, to 8 weeks in the Pacific Rim and the Middle East.

By mandating only U.S. currency be used, the family determined it could bypass all the problems associated with foreign exchange rates and their daily fluctuations. Also, personal checks could be cashed at the local Highlander National Bank, where ArcticAire had done business since the first refrigerator rolled off the line and credit-card invoices were like cash as soon as they were received.

"Kids, you see, doing business overseas isn't much different than doing business down on Main Street here in Highlander," the older man chuckled. "And, look at the money we saved by not hiring that consulting firm you both wanted! We're going to need that money to hire more workers for the line when this new business starts rolling in."

International Marketing
Unit 5

Assignment Sheet 2—Analyze Current Events Concerning International Marketing Efforts

Name ______________________ Overall rating ____________

Evaluation criteria	**Rating**
Directions have been followed	______
Content is relevant and well organized	______

Introduction

International business accounts for a major portion of sales and profits for a number of U.S.-based firms. Periodicals such as *Advertising Week*, the *Wall Street Journal*, *Fortune*, *Forbes*, and *Business Week* document the efforts these firms make to compete with one another in the world market. Your goal in this assignment sheet is to explore how these efforts are affecting international trade today.

Exercise

Directions

You are to collect a minimum of five current articles containing information about the international marketing efforts of a specific multinational firm, such as Brunswick, Coca-Cola, Ford Motor Co., General Motors, IBM, McDonald's, Outboard Marine Corp., or Pepsico.

Write a report in which you clearly detail how the company has tailored its product and promotion to the target countries in which it is doing business.

Your instructor will provide you with guidelines explaining the format of the finished report. This assignment will be collected and retained in a portfolio that will become a record of the progress you have made in your study of international trade.

Portfolio Assignment